



# Modern Slavery Report 2024





## Introduction

This Modern Slavery Report (the “**Report**”) is a joint report and has been prepared by Capstone Copper Corp.<sup>1</sup> and Capstone Mining Corp. to meet the requirements of Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023* (the “**Canadian Act**”) and Australia’s *Modern Slavery Act 2018* (Cth) (the “**Australian Act**”). Capstone Copper Corp. and Capstone Mining Corp. both report under the Canadian Act. Capstone Copper Corp. also reports under the Australian Act. Our understanding of forced labour, child labour, and modern slavery is informed by section 2 of the Canadian Act and section 4 of the Australian Act.

Capstone Copper Corp. was formed through the business combination of Capstone Mining Corp. and Mantos Copper (Bermuda) Limited (“**Mantos Copper**”) on March 23, 2022. In this Report, unless stated otherwise, the “**Company**”, “**Capstone**”, “**we**”, “**our**” and “**us**” refers to Capstone Copper Corp., Capstone Mining Corp., and includes each of our non-reporting entity subsidiaries.

Through our policies and memberships, we are committed to aligning with frameworks and instruments that relate to human rights and modern slavery, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights (“**UNGPs**”), the Organisation for Economic Co-operation and Development (“**OECD**”) Guidelines for Multinational Enterprises on Responsible Business Conduct (“**OECD Guidelines**”), and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

This Report covers Capstone’s financial year ended December 31, 2024 (the “**Reporting Period**”) unless otherwise stated. This is our second Modern Slavery Report under the Canadian Act and our first under the Australian Act. The Report forms part of our annual reporting suite. All reports, including our Sustainability Reports, are available on our website at [www.capstonecopper.com](http://www.capstonecopper.com). Unless otherwise indicated, all figures in this report are in US dollars.

## Our Structure, Operations, and Supply Chain

### Organizational Structure and Operations

Capstone Copper Corp. is a Canadian mining company, focused on copper production in the Americas. Capstone Mining Corp. is a wholly owned subsidiary of Capstone Copper Corp. Capstone Copper Corp.’s common shares are listed on the Toronto Stock Exchange (TSX:CS). On February 2, 2024, our secondary listing on the Australian Securities Exchange (ASX:CSC) commenced trading via CHESS Depositary Interests (“**CDIs**”) as a Foreign Exempt Listing where each CDI represents one fully paid common share of Capstone Copper Corp.

Capstone’s vision is to create a positive impact in the lives of our people and local communities while delivering compelling returns to investors by responsibly producing copper to meet the world’s growing needs. We are guided by our company values: safety, accountability, excellence, and caring. We have a decentralized operating model in which individual sites make independent decisions on a day-to-day basis, based on our governance framework and global policies but taking into account local geopolitical context, people, community and environmental factors.

We operate across the Americas. Our corporate office is located in Vancouver, Canada. As of December 31, 2024, Capstone had a total of 3,512 employees and 3,294 contractors, including 51 employees in

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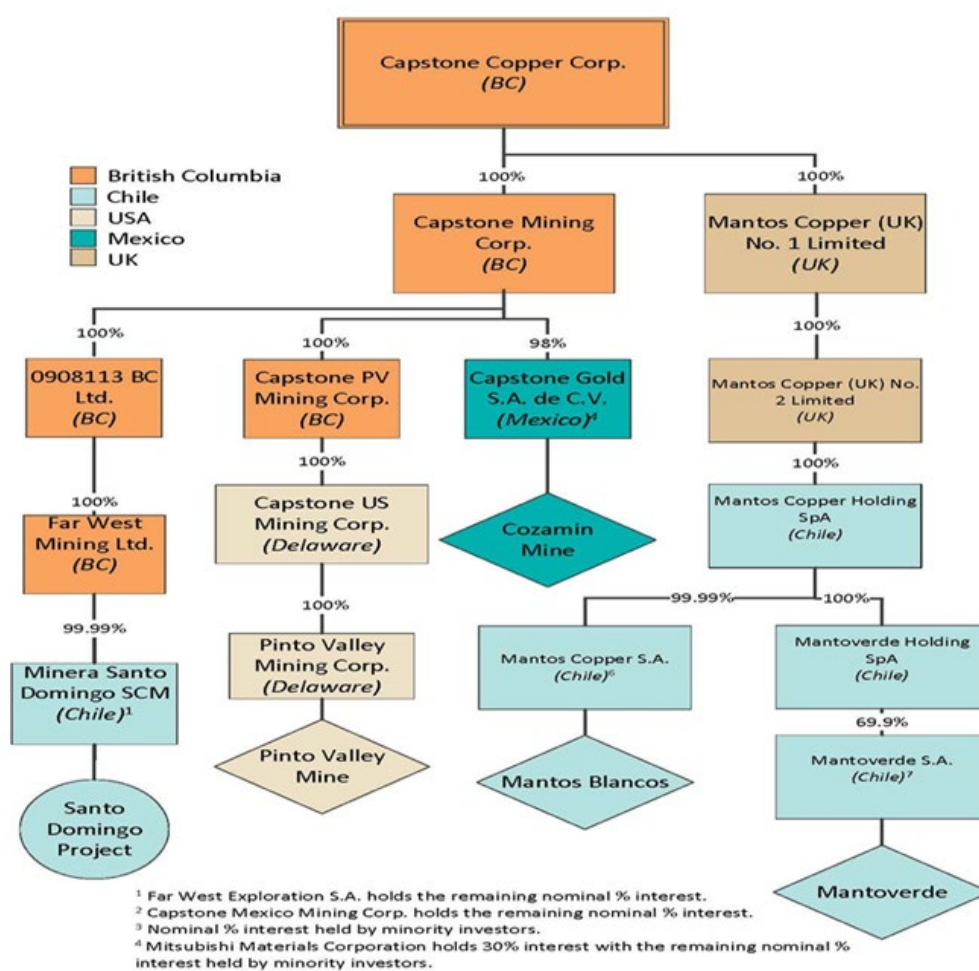
<sup>1</sup> ARBN: 673 751 490. Registered offices at: Level 61, Governor Philip Tower, 1 Farrer Place, Sydney, NSW, 2000 (Australia) and Suite 2100, 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3 (Canada).

Canada, 3,461 employees outside of Canada and no employees in Australia. Our global operations include four operating mines and one development project:

- **Cozamin**, located in Morelos Municipality of the Zacatecas Mining District, in Mexico. Cozamin is an underground mine producing copper and silver.
- **Mantos Blancos**, located in Antofagasta region, Chile. Mantos Blancos is an open pit mine producing copper.
- **Mantoverde**, located in the Atacama region, Chile. Mantoverde is an open pit mine producing copper.
- **Pinto Valley**, located in Arizona, United States. Pinto Valley is an open-pit mining operation, producing copper and molybdenum.
- **Santo Domingo**, located in the Atacama region, Chile. Santo Domingo is a fully permitted copper-iron-gold project in development.

Our operating mines and development projects, except Mantoverde, are 100% owned by Capstone. We own 70% of Mantoverde, with the remaining 30% owned by Mitsubishi Materials Corporation. In 2024, we produced 184,460 tonnes of copper.

Below is Capstone's organizational chart relating to its operating mines and development project:



Capstone also owns a portfolio of early-stage, base metals exploration projects and we continue to invest in brownfield and greenfield exploration activities at our properties. In this report, we refer to our collective four operations and Santo Domingo project as our sites. Details of our corporate structure, as well as additional details on our sites, are available in our [2024 Annual Information Form](#), on our website, and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Supply Chain

Our sites are supported by a diverse supply chain that provides goods, services and materials that are required to support our mining operations. Our supply chain includes approximately 2,340 suppliers, and 80% of our spend is concentrated in between 35 and 55 suppliers at each site. According to a 2024 third-party supplier risk assessment, our suppliers covered in the report are primarily located in South America and North America.<sup>2</sup> In 2024, our procurement spend was approximately \$1.33B.

**Procurement Categories:** In 2024, we began to map our supply chain and assess supply chain risk at our four operating sites through a third-party supplier risk assessment. At Mantos Blancos, our main spend categories include: water and energy; mobile and semi-mobile equipment; engineering, construction, assembly, and architecture; mineral processing services; mine maintenance (spare parts and services); and, plant maintenance (spare parts and services). At Mantoverde, our main spend categories include: engineering, construction, assembly, and architecture; water and energy; mobile and semi-mobile equipment; plant maintenance (spare parts and services); mine maintenance (spare parts and services); and personnel services.

Cozamin categorizes its main spend categories as follows: ore hauling; concentrate transport; vehicle maintenance; mine development; services (including software, technical, legal, and union consulting); site maintenance (including scrap and garbage collection, and septic maintenance); other types of maintenance (including maintenance to the mine road); supply of explosives; drilling supplies and services; and other supplies (including reagents, lubricants, and bolting materials).

At Pinto Valley our main spend categories include: contractors (service/project contractors, and labour contractors), mobile mine equipment, diesel, freight services (including truck and sea freight), spare parts (including crusher parts, mechanical parts and pump parts), tires, chemical supplies (including grind media, acid, lubricants, lime, and oil), consulting services, and electrical supplies.

We have not yet mapped our supply chain for any spend associated with our Corporate Office, our Santo Domingo development project, or our exploration projects. Additionally, as part of continuous improvement, we plan to harmonize the spend categories and metrics we use across the company, to support improved management and disclosure.

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<sup>2</sup> This risk assessment considered a portion of our suppliers, covering 1,087 suppliers from our four operating sites.

**Local Procurement:** Each of our operating sites tracks the local portion of its overall spend. See the table below for a breakdown of all of the local, national and international spend at each of our operating sites during the Reporting Period.

| <b>Spend<br/>(US\$ millions)</b>        | <b>Pinto<br/>Valley</b> | <b>Mantos<br/>Blancos</b> | <b>Mantoverde</b> | <b>Cozamin</b> |
|---|-------------------------|---------------------------|-------------------|----------------|
| <b>Local Spend<sup>1</sup></b>          | 154.6                   | 58.3                      | 32.6              | 45.1           |
| <b>National Spend<sup>2</sup></b>       | 305.1                   | 331.8                     | 489.5             | 159.5          |
| <b>International Spend<sup>3</sup></b>  | 12.4                    | 2.2                       | 30.3              | 2.4            |
| <b>Total Spend</b>                      | 317.5                   | 334.0                     | 519.8             | 161.9          |
| <b>% of Spend that is Local</b>         | 49%                     | 17%                       | 6%                | 28%            |
| <b>% of Spend that is National</b>      | 96%                     | 99%                       | 94%               | 99%            |
| <b>% of Spend that is International</b> | 4%                      | 1%                        | 6%                | 1%             |

<sup>1</sup> Local is defined by sites as follows: Mantos Blancos – Antofagasta region; Mantoverde – Atacama region; Pinto Valley – Arizona State; Cozamin – Zacatecas State; Santo Domingo project – Atacama region.

<sup>2</sup> National Spend includes Local Spend.

<sup>3</sup> Pinto Valley International includes: Australia, Canada, Chile, Israel, Japan, Mexico, Peru, Singapore, United Kingdom. Mantos Blancos International includes: Australia, Canada, England, Ireland, Peru, USA; Mantoverde International includes: Australia, Brazil, England, Japan, Peru, Spain, Switzerland, USA; Cozamin International includes: Australia, Belgium, Canada, Chile, England, Netherlands, USA

At Capstone, we are dedicated to cultivating respectful, lasting relationships with our suppliers. Our supplier contracts tend to have one-to-two-year terms to help provide stability and predictability to both our supply chain partners and our operations. We have a preference for renewing contracts with existing suppliers, provided they perform in line with their contractual obligations and our Supplier Code of Conduct, allowing us to create lasting relationships.

## Identifying Modern Slavery Risks

### Identifying Modern Slavery Risks within our Operations

We conduct Human Rights Risk Assessments to understand the risks of modern slavery within our operations, including our owned and controlled entities. Our two Chile operations, Mantoverde and Mantos Blancos, conduct annual Human Rights Risk Assessments employing the Equator Principles guidelines. These assessments include a consideration of the risk of child and forced labour, as well as risks of human trafficking. The risk analysis is conducted by an internal team and has been assessed externally at both sites through the Copper Mark assurance process. These assessments have not revealed any significant risks of modern slavery. In 2024, we also undertook internal risk assessments at Cozamin and Pinto Valley focusing on the Copper Mark forced labour and child labour criteria. These assessments considered modern slavery risk, and did not reveal any significant risks of modern slavery at either of those operations.

While we recognize that the global mining industry can be at a higher risk of modern slavery, we rank the risk that we may cause or contribute to modern slavery with respect to our own workforce as low. A third-party modern slavery risk assessment identified certain common mining industry characteristics as sources of operational modern slavery risk. These include operations located in more remote and isolated areas

(where it may be easier to subject individuals to forced or child labour), potential reliance on unskilled workers who can be more vulnerable to exploitation, and operations in countries with higher instances of modern slavery. Capstone has limited exposure to these risks in our operations and we actively mitigate those risks that do exist in our operating contexts. The third-party assessment ranked Chile and the United States as presenting a low modern slavery risk, but Mexico as medium to high risk. To address these risks, we ensure we respect labour rights across the company (for more details, see [Labour Rights](#)). None of our operations are located in remote and isolated areas. And, in line with our Human Rights Policy and our Responsible Sourcing Policy, we implement both company-wide and site-level human resource procedures, procurement procedures and our Codes of Conduct across all our sites and at our corporate office to strive that our sites and the contractors who work on our sites do not employ forced labour, child labour, or modern slavery more broadly. We discuss these in greater detail in the [Measures within our Business Operations](#) section of this Report.

## Identifying Modern Slavery Risks within our Supply Chain

We understand that we may unknowingly contribute to or be linked to forced or child labour, or other forms of modern slavery, through our supply chain. We have critical suppliers at each site and recognize that reliance on critical suppliers can be a source of modern slavery risk if supplier performance does not meet our Supplier Code of Conduct. In 2024, we began the process of mapping our Tier 1 suppliers across our value chain, with the goal of improving our ability to identify modern slavery risks going forward.

The 2024 third-party supplier modern slavery risk assessment included 1,087 suppliers from our four operating sites.<sup>3</sup> The assessment used a proprietary methodology to calculate modern slavery risk based on industry child and forced labour risks, country level risks, and risks associated with industry supplier social practices.

The assessment ranked suppliers' risk of modern slavery in six levels, from *very low* to *very high*. It calculated this risk for our four operating sites on a consolidated basis, as well as each operating site individually. Moreover, suppliers providing goods or services to both of our operating sites in Chile are analyzed separately. The assessment found that 0.4% of the assessed suppliers are at a *very high risk* of modern slavery, 11% are at a *high risk*, 49% are at a *medium high risk*, while the rest are at *medium low risk* or lower.

Our *very high-risk* suppliers are primarily in computer and peripheral equipment manufacturing, an industry characterized by long complex supply chains (including from countries with weak labour laws) and the use of conflict materials. Suppliers identified as *high risk* include those in construction, various types of manufacturing (including the manufacture of concrete, steel, chemical products, textiles, and apparel), and temporary employment agencies.

The assessment also classified countries from which we procure goods and services according to their modern slavery risks, taking into account country risk for environment, health, social, human rights, and governance considerations. Of the countries in our supply chain, Mexico and Peru were identified as having the highest modern slavery risk (at *medium high*), followed by Brazil (*medium low*).

The assessment also considered how supplier modern slavery risks vary across our operating sites. It found that Cozamin, with a predominantly Mexican supplier base, has the highest percentage (65%) of assessed suppliers with a *medium high* or higher risk of modern slavery. At Mantoverde, 61% of assessed suppliers have a *medium high* or higher modern slavery risk, in part due to many suppliers being based in Peru and

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<sup>3</sup> The Assessment did not include corporate or Santo Domingo suppliers, or a group of suppliers who did not meet certain minimum information criteria required by the assessment provider or set by Capstone. This assessment also did not include spend level, therefore we are unable to state what percentage of our overall spend was covered by this assessment.

Brazil. At Mantos Blancos and Pinto Valley *medium high* or higher risk suppliers made up 58% and 57% of assessed suppliers respectively.

We update our modern slavery risk assessments when a significant change in our business occurs or if our ongoing risk assessment processes identify a possible change in our modern slavery risk profile. As such, there is no set timeline for updating our modern slavery risk assessments at this time.

## Assessing and Addressing Modern Slavery Risks

Capstone is committed to respecting human rights throughout our operations and business relationships, and we strive to identify, assess and manage human rights risks, including modern slavery risks. Our policies and governance processes guide our overall management of modern slavery risks, and we undertake measures both within our operations, and throughout our supply chain to assess and address any modern slavery risks that we may identify.

### Our Governance Framework and Guidelines

Capstone's Board of Directors oversees our policies and management practices, as well as our Sustainable Development Strategy and our performance against our sustainability commitments. These commitments include objectives and performance related to labour and human rights topics. The Governance, Nominating and Sustainability Committee of the Board has oversight responsibility for strategic sustainability matters delegated by the Board, while the Technical and Operational Performance Committee of the Board oversees site-specific risks and performance in health, safety, environment, tailings, and community relations. The Human Resources and Compensation Committee considers sustainability risks specific to human resources. Executive-level accountability for these topics rests with our Chief Operating Officer and our Senior Vice President, Risk, ESG, and General Counsel ("**General Counsel**"), while functional and operational responsibility rests with site general managers, and corporate functional leads.

Our ESG Disclosure Committee is led by our General Counsel and directly reports to the Executive Committee (consisting of our Chief Executive Officer, our Chief Financial Officer, our Chief Operating Officer, and our Senior Vice Presidents). The ESG Disclosure Committee identifies and assesses Capstone's sustainability risks and determines which risks are material for Capstone. The Executive Committee reports quarterly to the Board on sustainability matters and progress on objectives.

#### *Governance of Modern Slavery Risk*

Our governance documents, including codes, policies, standards, and procedures guide our approach to human rights, and to assessing and addressing modern slavery risks in our operations and business relationships. Relevant policies include our:

- [Code of Conduct Policy](#) - this policy applies to all employees, directors, and officers of Capstone, and all of our subsidiaries. It defines Capstone's expectations for ethical behaviour, non-discrimination, and the promotion of a work environment in which all individuals are treated with respect, have equal opportunities, and are free from discrimination. It also establishes requirements for ethical business conduct. The policy includes provisions for reporting violations and ensures protections for anyone making a report in good faith. Employees and directors are required to annually certify their understanding of and adherence to our Code of Conduct.
- [Human Rights Policy](#) - in alignment with international human rights standards, including the UNGPs, the Universal Declaration of Human Rights, and the OECD Guidelines, this policy applies to all employees, directors and suppliers and supplements other relevant company policies. It underscores Capstone's commitment to respecting and upholding the dignity and rights of every



person, regardless of race, gender, nationality, or any other status. It specifically establishes Capstone's commitment to confirm that child and forced labour are not present in our operations, and to apply appropriate due diligence to minimize the risk of child and forced labour in our supply chain.

- [Whistleblower Policy](#) - this policy outlines a process for reporting actual or suspected fraud, ethical concerns, violations of company policies, breaches of law, human rights violations, and financial misconduct. The Whistleblower process is available to all employees, directors, shareholders, suppliers, external stakeholders, and others engaged in a business relationship with Capstone. Individuals can raise concerns confidentially and anonymously. We provide ongoing training and other awareness initiatives on the Whistleblower Policy. A copy of the Whistleblower Policy can be accessed on our website.
- [Diversity and Inclusion Policy](#) - this policy seeks to create an inclusive culture where diversity is valued, and establishes guiding principles to do so, including treating everyone with respect and embracing workforce diversity.
- [Supplier Code of Conduct Policy \("SCC"\)](#) – this policy sets out our expectations that suppliers must adhere to the principles set in our Code of Conduct, and comply with all relevant laws, regulations and industry standards. The Supplier Code of Conduct explicitly states that Capstone prohibits any form of forced and child labour, and that suppliers must uphold the highest regard for human rights and treat their employees and contractors with dignity and respect. It also establishes that suppliers must adhere to the principles and standards outlined in Capstone's Human Rights Policy.
- [Responsible Sourcing Policy](#) - adopted in November 2024, this policy embeds Capstone's sustainability expectations and considerations into the selection and management of suppliers of goods and services. The policy, which is guided by the UNGPs, the Universal Declaration of Human Rights, and the OECD Guidelines, is global and applies to all Capstone subsidiaries, and includes all our procurement of goods and services, and all employees and third parties involved in these activities on our behalf.

Our Executive Committee is responsible for developing relevant new policies and annually reviewing and, as required, updating current governance policies, while the Board is responsible for approving any new policies and updates.

## Measures within our Business Operations

### *Regulatory Compliance*

It is important to Capstone that we comply with all applicable laws in the jurisdictions where we operate. This commitment is embedded in our Code of Conduct, which states that compliance with laws and standards is a requirement for all Capstone employees. Similarly, our Supplier Code of Conduct expects our suppliers to comply with all applicable laws and standards.

### **Asset-Level Efforts to Ensure Regulatory Compliance**

Our Chile sites have a country-level Procurement Policy for Goods and Services, which is focused on sustainable sourcing. In 2024, we identified opportunities for improvement, and updated the policy. These updates also enabled us to better align with the regulatory requirements of Chile's new Law No. 21.595, also known as the Economic Crimes Law. The Law aims to eliminate criminal activities within corporate



processes.<sup>4</sup> Our Chile sites have also strengthened their Counterparty Due Diligence Procedure, with a stronger focus on preventing crimes such as bribery, money laundering, receiving stolen goods, and corruption. The procedure strengthens our existing due diligence procedures by improving the supplier screening process through which we identify if suppliers are at a higher risk of not complying with regulatory requirements. This screening includes considerations of modern slavery. If the screening process raises any concerns about a supplier, we either do not proceed with the procurement process or ask the supplier to complete an evaluation form which helps us to assess the supplier's level of risk. All higher risk suppliers are further assessed by a dedicated independent compliance advisor.

### *Labour Rights*

Capstone is committed to adhering to international labour standards and protecting the labour rights of our employees and contractors. As of December 31, 2024, approximately 78% of employees at Mantos Blancos and 77% of employees at Mantoverde were covered by collective bargaining agreements. The labour agreement at Mantoverde was renewed in 2022 and will be in effect until October 31, 2025. The labour agreement at Mantos Blancos was renewed in 2023 and will be in effect until June 30, 2026. On March 10, 2025, a union representing certain supervisors at Mantoverde was formed, representing approximately 5% of total employees at the site. A collective bargaining agreement with the union is in effect until March 10, 2028. At Pinto Valley, approximately 64% of employees are represented by six unions, governed by one collective bargaining agreement negotiated by the United Steelworkers Union. The agreement is in effect until August 31, 2026. Finally, approximately 66% of employees at Cozamin are covered by a collective bargaining agreement negotiated with the Sindicato Nacional de Trabajadores Mineros, Metalúrgicos, Siderúrgicos y Similares de la República Mexicana (National Union of Miners, Metalworkers, Steelworkers and Allied Workers of the Mexican Republic).

Site-specific collective bargaining agreements detail compensation and benefits for our unionized employees, while Capstone offers industry-competitive compensation and benefits to our non-unionized employees.

### **Asset-Level Efforts to Respect Labour Rights**

In 2024, we formalized new hiring guidelines that apply to Capstone and all of our subsidiaries, and which are intended to reduce the risk of child and forced labour, and other forms of modern slavery, at our operations. These guidelines establish that all employees must be at least 18 years of age at the time of hiring, and the age of prospective employees must be verified by Human Resources departments through government issued identification prior to the commencement of employment.<sup>5</sup> The guidelines also establish that prospective employees must be legally eligible to work in the country where they are employed, and prior to commencing work, they must produce valid government issued documentation. Finally, the guidelines establish that Capstone and all of its subsidiaries must engage reputable recruitment agencies when such services are required. Human Resource departments are required to review prospective agencies prior to engaging their services to ensure that these agencies can demonstrate that they have ethical practices and comply with all applicable labour laws.

While we presently do not have processes in place to validate that contractors are also meeting these criteria, our Supplier Code of Conduct explicitly states that Capstone prohibits any form of forced and child

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<sup>4</sup> Law No. 21.595 builds on Chile's Law No. 20.939, adopted in 2009, which introduced criminal liabilities for economic crimes such as money laundering and bribery.

<sup>5</sup> Exceptions may be granted under certain limited circumstances, and would require the approval of Capstone's Corporate Director, Human Resources.

labour. We share the SCC with all contractors as part of the contracting process, and we require compliance with the SCC. See [Supply Chain Due Diligence](#).

### *Other Human Rights*

Guided by our Human Rights Policy and Code of Conduct, our sites adopt procedures to respect human rights within our operations. Capstone's enterprise risk management (ERM) approach includes the structured assessment of human rights risks. We continuously monitor trends related to human rights risks, and evaluate them to identify appropriate mitigation actions, and, as applicable, assign responsibility for human rights risk management as part of our annual risk assessment process.

Mantos Blancos and Mantoverde, our two Chile operations, were awarded the Copper Mark in 2023 which includes criteria for human rights. Mantos Blancos and Mantoverde undertake annual human rights risk assessments, and to date these assessments have found that there is a low risk of human rights abuses at both sites. Pinto Valley and Cozamin are currently working towards meeting the Copper Mark criteria, and as part of that process, they completed internal Human Rights Risk Assessments against the Copper Mark. These assessments found that there is a low risk of human rights abuses at both Pinto Valley and Cozamin.

### *Training*

All Capstone employees receive some form of human rights training. During corporate onboarding, all employees receive onboarding training that includes our policies, including the Code of Conduct and our Human Rights Policy. Corporate employees are required to review and sign off on the Code of Conduct annually. We also provide annual in person and virtual refresher training or testing of our employees' knowledge and understanding of our policies.

At site level, employees must also sign off on the Code of Conduct every year, which requires familiarity with the Code. Training at Mantos Blancos, Mantoverde and Santo Domingo also includes education on applicable labour legislation in Chile. Our human rights training is only delivered to employees, and does not include contractors. However, in 2024, we provided human rights training to private security contractors at our two Chile operations, Mantos Blancos and Mantoverde, which included training on the Voluntary Principles on Security and Human Rights and the UNGPs.<sup>6</sup>

In 2024, we engaged a specialist business and human rights advisory firm with global experience to deliver modern slavery training to members of the senior leadership at corporate and at the site-level, to site procurement teams, and to human resource teams, as well as select employees whose responsibilities include sustainability matters. Training included topics of child and forced labour, and how to identify potential instances of modern slavery in practice. The training was provided in both Spanish and English and delivered in-person at Pinto Valley and at Mantos Blancos. Relevant employees from other sites who were unable to attend training were able to connect virtually, or received a recorded video of the training and completed the training at a later date.

## **Supply Chain Due Diligence**

Our Human Rights Policy and Responsible Sourcing Policy establish our commitment to ensure that child and forced labour, or other forms of modern slavery, are not present in our operations, and to apply appropriate due diligence to minimize the risk of modern slavery in our supply chain. To operationalize this commitment, we have created a Responsible Sourcing Program that focuses on our sustainability impacts resulting from two sets of activities: the procurement of goods and services for Capstone's own operations,

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<sup>6</sup> Security contractors at our Chile operations do not carry firearms.

and the supply of Capstone's products to downstream markets. On the Responsible Procurement side, topics included in the Responsible Sourcing Program are the selection and fair treatment of suppliers, and the monitoring of supplier relationships. In November 2024, we adopted our Responsible Sourcing Policy, which incorporates modern slavery considerations.

During the Reporting Period, we developed a Responsible Sourcing Program Roadmap that outlines future steps at both the corporate and site levels to prevent and address modern slavery risks within our operations and supply chains. The Roadmap supersedes the Responsible Sourcing Action Plan, which was outlined in our 2023 Modern Slavery Report.

In 2024, our focus was on increasing compliance with our Supplier Code of Conduct. Following the 2023 SCC roll-out to a select group of Pinto Valley and Cozamin suppliers, we provided the SCC to most of our new and many existing suppliers in 2024 and requested their signed commitment to comply with the SCC. At Cozamin, the SCC forms part of our supplier agreements, and must be signed and returned to us for filing. At Pinto Valley, we started supplier onboarding on the SCC and requested a signed policy for our records. This will continue in 2025. At our Chile operations, as part of contract development or renewal, suppliers must review the SCC and sign an acknowledgement form before contracting can proceed. Our standard contracts include a clause on mandatory compliance with the SCC.

In 2024, we also established a Global Supply Excellence Team, which focuses on peer learning and information sharing related to responsible resource management across all Capstone operations. The COP includes the procurement leadership across all Capstone operations and will help advance responsible sourcing across the Company.

Finally, our corporate team has been working with site-based procurement leads to explore an information technology solution to help meet our supplier due diligence and record-keeping needs.

## Feedback Mechanisms

### *Whistleblower Mechanisms*

As established in our Whistleblower Policy, individuals can confidentially and anonymously use our Whistleblower hotline (administered by an external third party) to report actual or suspected fraud, ethical concerns, violations of company policies, breaches of law, human rights violations and financial misconduct. The Whistleblower process is available to all employees, directors, shareholders, suppliers, external stakeholders, and others engaged in a business relationship with Capstone.

Any concerns raised through the Whistleblower procedure go directly to the Audit Committee Chair and the General Counsel. Concerns that arise through other channels, including email, mail, or phone, are also entered into our Whistleblower reporting channel. In this way all concerns undergo the same reporting and investigation process. Concerns are discussed at the next quarterly Board meeting, unless the matter requires more urgent attention.

Employees can raise concerns with their supervisor or Human Resources team, or via the Whistleblower hotline across all sites. Employees covered by collective bargaining agreements can also provide feedback through their unions. At all sites, suppliers can raise issues with their business contact, in addition to having access to our Whistleblower procedures.

### *Operational Grievance Mechanisms*

We also provide operational grievance mechanisms for community members and other stakeholders to raise any concerns they may have regarding our operations, impacts, or our business relationships. Mantos Blancos, Mantoverde, and Santo Domingo have formal operational grievance mechanisms that comply with the IFC Performance Standards. These mechanisms establish formal channels through which Capstone



can receive community feedback, concerns, and grievances, including via a mailbox and a dedicated phone number with a tape recorder. Links to these mechanisms are available on the Spanish version of our website. We are committed to acknowledging each concern or grievance in a timely manner and to provide effective and lasting remedies where needed. The mechanisms have been socialized with local communities and are actively used at the sites. However, these mechanisms are not anonymous, and community members wishing to submit an anonymous complaint would need to do so via our Whistleblower hotline.

We have not yet established formal grievance mechanisms at Pinto Valley and Cozamin, but processes exist for these sites to receive and investigate community concerns.

In 2025, we plan to assess our current operational grievance mechanisms against UNGP requirements.

## Remediation Measures

During 2024, no concerns received through whistleblower channels or other feedback and grievance mechanisms nor any due diligence processes resulted in any findings related to modern slavery. Since there were no known or suspected modern slavery impacts, we did not implement any measures to remediate instances of forced or child labour, or other instances of modern slavery, or the loss of income of the most vulnerable families that results from any measure taken to eliminate the use of modern slavery.

## Assessing Our Effectiveness

As noted under [Our Policies and Governance Processes](#), we are committed to fostering accountability for our sustainability impacts throughout our operations. Additionally, our Chile operations have access to an external independent Compliance Officer, who specializes in human rights and ethics, and who reports directly to a member of our Executive Committee.

Our Human Rights Policy requires regular reporting to support effective management and governance of our performance relating to human rights, including our management of forced labour, child labour, and modern slavery risks. All human rights breaches, if any, are collected quarterly and reported to our President and COO, our General Counsel, and our SVP, Corporate Development. Significant breaches to the Code of Conduct (including human rights violations) are reported to the Governance, Nominating and Sustainability Committee of the Board on a quarterly basis.

We also assess the effectiveness of our actions to address modern slavery risks by considering whether we meet Copper Mark assessment criteria, which include considerations of forced labour, child labour, and human rights. Mantos Blancos and Mantoverde both received the Copper Mark in 2023. Currently, Pinto Valley and Cozamin are working towards meeting the Copper Mark criteria. Pinto Valley signed a commitment letter to participate in the Copper Mark assurance process in June 2024 and Cozamin is working towards signing a commitment letter in 2025.

As part of the Copper Mark assurance process, third-party certified Copper Mark auditors conducted follow-up assessments against the Copper Mark Criteria for Responsible Production and the Joint Due Diligence Standard at Mantos Blancos and Mantoverde in June 2024. They conducted full assessments in 2023. The assurance process includes a review of policies, procedures and practices, including through document review, worker and management interviews, community interviews, and site observations. This process is employed to identify the effectiveness of existing policies, and procedures that address risks of forced labour, child labour and human trafficking. If any gaps against Copper Mark criteria are identified, these are brought to the attention of our management so that gaps can be addressed. At that time, Copper Mark's Risk Readiness Assessment Criteria (version 1.0) included forced labour, child labour, and human rights,

and both sites were found to be in full alignment with the Standard's criteria on these topics following improvements made after the 2023 assessment. Further details on our Copper Mark performance are available at [coppermark.org](https://coppermark.org).

We take a continuous improvement approach to managing modern slavery risk. We work to better track the effectiveness of our efforts to address the modern slavery risks within our supply chain. In 2025, we plan to assess our current operational grievance mechanisms at our Chile operations against the UNGPs. This will better enable us to understand where enhancements can be made, so that we can improve the ability of our stakeholders to raise issues or concerns.

## Looking Forward

Capstone is committed to taking meaningful action to prevent and address modern slavery risks within our operations and supply chains. In 2024, we developed a Responsible Sourcing Program Roadmap that outlines future steps at both the corporate and site levels. In 2025, our focus will be on developing governance documents, including to:

- Develop and implement a Responsible Sourcing Standard (applicable across Capstone);
- Develop and implement Responsible Sourcing Guidelines (applicable across Capstone);
- Develop and implement a standard Supplier Due Diligence Procedure (applicable across Capstone); and
- Assess our current operational grievance mechanisms against UNGP requirements.

We will report on our progress against these goals in future Modern Slavery Reports.

## Consultation with our Entities

Capstone Copper Corp. developed this Report in consultation with Capstone Mining Corp. and our non-reporting entity subsidiaries, including our sites. Capstone consulted with Legal, Compliance, Sustainability, and Procurement teams, which operate across Capstone Copper Corp., Capstone Mining Corp., and our non-reporting entity subsidiaries. The Company's Executive Committee also reviewed this Report. The signatory of this Statement, Mr. Cashel Meagher, is a Director and CEO of Capstone Copper Corp. and Capstone Mining Corp.

## Approval and Cautionary Notes

This report has been approved by Capstone's Board of Directors pursuant to subparagraph 11(4)(b)(ii) of the Canadian Act and as the principal governing body of Capstone Copper Corp. pursuant to section 14(2)(d)(ii) of the Australian Act.

In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Canadian Act, for the reporting year listed above.

I make the above attestation in my capacity as a director of the Board of Directors of Capstone Copper Corp., and not in my personal capacity, for and on behalf of the Board of Directors of Capstone Copper Corp. I further make the above attestation in my capacity as a director of the Board of Directors of Capstone Mining Corp., and not in my personal capacity, for and on behalf of the Board of Directors of Capstone Mining Corp.

I have the authority to bind Capstone Copper Corp., and the authority to bind Capstone Mining Corp.

A handwritten signature in dark ink, appearing to read 'Cashel Meagher', with a stylized flourish at the end.

Cashel Meagher

Director and CEO of Capstone Mining Corp.

Date: May 21, 2025

This report may contain “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of applicable securities laws. Forward-looking statements relate to future events or future performance and reflect our expectations or beliefs regarding future events. In certain cases, forward-looking statements can be identified by the use of words such as “anticipate”, “will”, “project”, “intend”, “plan”, “scheduled”, “target”, or variations of such words and phrases, or statements that certain actions, events or results “be achieved”, “could”, “may”, “might”, “occur”, “should”, “will be taken” or “would” or the negative of these terms or comparable terminology. Forward-looking statements include, but are not limited to: descriptions of our vision, supply chain mapping, our approach to human rights, supplier conduct, our responsible sourcing policy and responsible sourcing action plan, future training initiatives and compliance measures. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances are forward-looking statements and are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances. We have based the forward-looking statements on our current expectations and projections about future events. By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, amongst others, counterparty risk including reliance on supplier conduct, operating in foreign jurisdictions, supply chain disruptions, dependence on key management personnel and other risks of the mining industry as well as those risks included in our continuous disclosure filings, including our Annual Information Form. Although the Company has attempted to identify important factors that could cause our actual results, performance or achievements to differ materially from those described in our forward-looking statements, there may be other factors that cause our results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that our forward-looking statements will prove to be accurate, as our actual results, performance or achievements could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on our forward-looking statements. These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.



## Annexure

### Australian Act Criteria

This table indicates the page number/s of the Report that addresses each of the mandatory criteria in section 16 of the Australian Act.

| <b>Mandatory criteria</b>  | <b>Page number/s</b> |
|--|----------------------|
| a) Identify the reporting entity   | 2                    |
| b) Describe the reporting entity's structure, operations and supply chains   | 2-5                  |
| c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls   | 6-8                  |
| d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes  | 8-13                 |
| e) Describe how the reporting entity assesses the effectiveness of these actions   | 13-14                |
| f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement) | 14                   |
| g) Any other information that the reporting entity, or the entity giving the statement, considers relevant   | N/A                  |

### Canadian Act Criteria

This table indicates the page number/s of the Report that addresses each of the criteria required by section 11(3) of the Canadian Act.

| <b>Required criteria</b>  | <b>Page number/s</b> |
|---|----------------------|
| Information on the structure, activities and supply chains of each entity subject to the report.  | 2-5                  |
| For each entity subject to the report, information about its policies and due diligence processes in relation to forced labour and child labour.  | 8-12                 |
| For each entity subject to the report, information about the parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk. | 6-8                  |
| For each entity subject to the report, information about any measures taken to remediate any forced labour or child labour.   | 13                   |
| For each entity subject to the report, information about any measures taken to remediate the loss of income to the most vulnerable families   | 13                   |

|   |       |
|---|-------|
| that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.  |       |
| For each entity subject to the report, information on the training provided to employees on forced labour and child labour.   | 11    |
| For each entity subject to the report, information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains. | 13-14 |
| Approval of the report by the reporting entity's governing body   | 14    |