

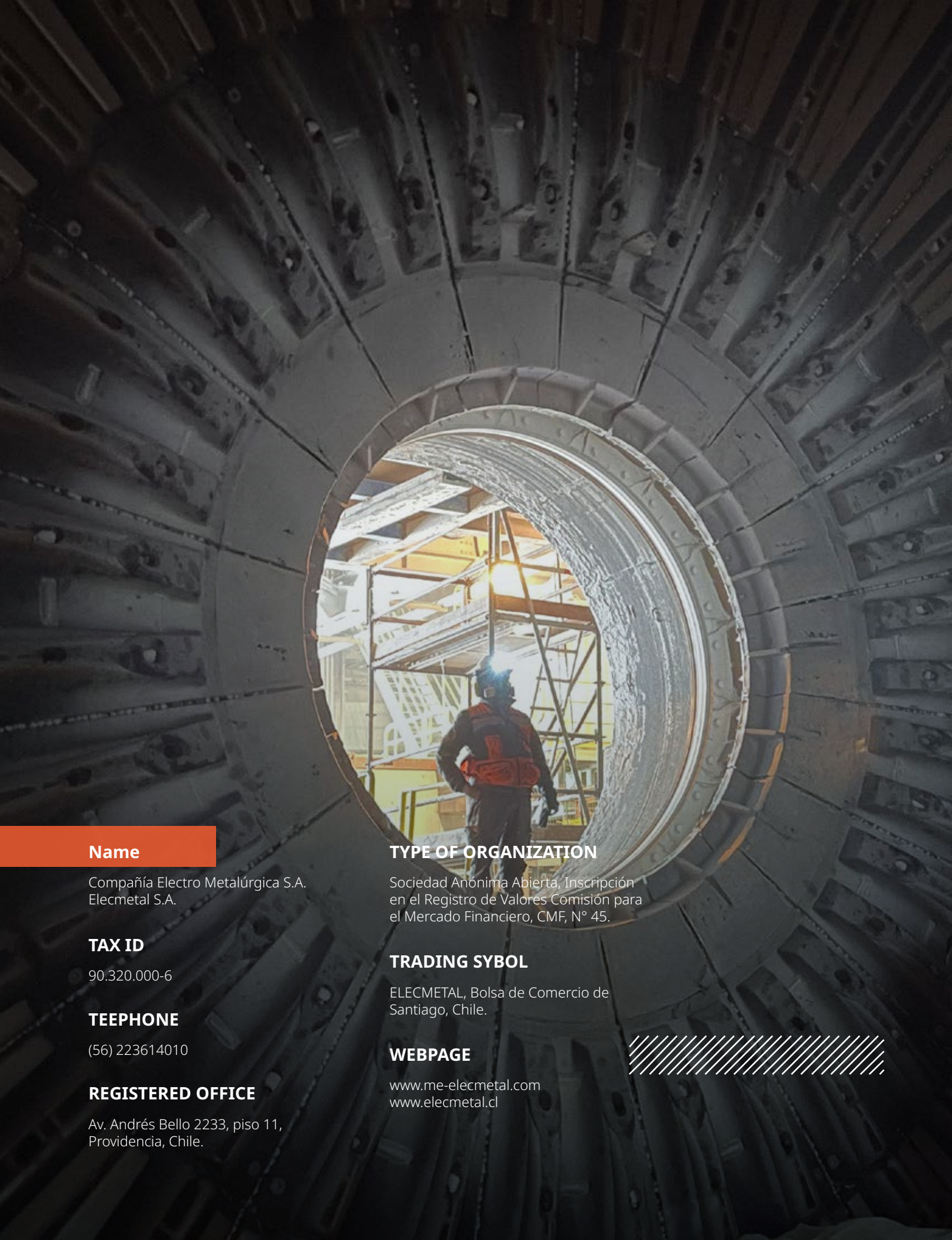
# 2024 Elecmetal Annual Report



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Compañía Electro Metalúrgica S.A.



### Name

Compañía Electro Metalúrgica S.A.  
Elecmetal S.A.

### TAX ID

90.320.000-6

### TEEPHONE

(56) 223614010

### REGISTERED OFFICE

Av. Andrés Bello 2233, piso 11,  
Providencia, Chile.

### TYPE OF ORGANIZATION

Sociedad Anónima Abierta, Inscripción  
en el Registro de Valores Comisión para  
el Mercado Financiero, CMF, N° 45.

### TRADING SYBOL

ELECMETAL, Bolsa de Comercio de  
Santiago, Chile.

### WEBPAGE

[www.me-elecmetal.com](http://www.me-elecmetal.com)  
[www.elecmetal.cl](http://www.elecmetal.cl)





2024  
Elecmetal  
Annual  
Report



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## 1.1.

# Letter from the Chairman

**Dear Shareholders,**

I am pleased to present the Comprehensive Annual Report for the fiscal year 2024.

This year, I would like to express my deep gratitude and appreciation for the trust you have placed in our company and your unwavering support during both prosperous times and challenging moments, such as those we have navigated in various sectors over the past years, all while maintaining a people-centric management approach focused on long-term goals.

I would also like to take this opportunity to extend my sincerest thanks to our dedicated teams across the different businesses and countries in which we operate for their tireless efforts in achieving our objectives. Their hard work, commitment, and perseverance inspire confidence in our future and empower us to aspire to new heights, grow our operations, and overcome the challenges we face.

The year 2024 has been intense, and despite encountering diverse dynamics and trends in our main business areas, we have successfully significantly improved our results, with a remarkable 40.3% increase in earnings attributable to the owners of the parent company compared to the previous year. This achievement is primarily due to an unprecedented performance in the metallurgy business, where we have effectively capitalized on the favorable global mining cycle driven by the development of electromobility, renewable energies, and technological advancements. Elecmetal plays a crucial role in providing comprehensive solutions to meet the needs of our mining clients. Simultaneously, within the metallurgy sector, we have made substantial investments as part of our growth strategy focused on diversification, which has been a fundamental pillar of our long-term strategy. This includes our efforts to internationalize our operations and modernize and expand our Rancagua plant, which serves both our domestic and South American clients. In 2024, we made significant investments, including acquiring companies in Peru and South Africa, and we initiated the construction of new manufacturing plants in Indonesia and Kazakhstan. All these developments were financed through improved operational results, cost savings from a nearly CL\$45,000 million reduction in consolidated net debt, and proceeds from selling non-strategic assets in our packaging and wine businesses. Additionally, we made a noteworthy contribution by collecting an indemnity insurance for damages related to the interruption of a furnace incident at Cristalerías de Chile that occurred at the end of 2022.

These significant advances occurred within a complex and challenging global landscape characterized by low economic growth, inflation rates that decreased less than anticipated, high-interest rates, ongoing armed conflicts between Russia and Ukraine and between Israel and Hamas, and instability

within global supply chains, compounded by a rising trend of protectionism affecting global trade flows and international business. Locally, we are also grappling with low economic growth and a lack of investment, exacerbated by high uncertainty, excessive barriers to new business ventures, and the absence of concrete measures to stimulate economic recovery, revive investment, restore consumer confidence, and effectively address the rise in crime, drug trafficking, and organized crime.

Looking forward to 2025, it appears that many of these factors will continue to challenge our business strategies, with an additional acceleration of protectionism driven by recent announcements from the United States government regarding a series of protective measures for domestic production, including a 25% tariff on steel and aluminum imports from all origins, as well as general tariffs on imports from Canada, Mexico, and the European Community, along with increased rates on imports from China. While it remains difficult to fully assess the ultimate impact these tariffs may have on our company's sales and results, we can anticipate some adverse effects on the sales of certain products we import into the North American market to serve our mining clients' needs, as well as potentially in other countries that may take similar actions in response to U.S. measures. However, because Elecmetal has diversified its metallurgy business and operates industrial plants in Chile, the United States, China, Peru, South Africa, and Zambia, while also developing new plants in Indonesia and Kazakhstan, along with having strategic suppliers in various countries, these unfavorable effects can be somewhat mitigated. Nonetheless, restrictions on international trade stemming from a global escalation of protectionism will likely impact worldwide growth and, consequently, mineral commodity prices that drive global demand for our products and services in the metallurgical business.

In the context of the trend towards protectionism, in the year 2024, we faced two significant events. Firstly, in the metallurgical business in Chile, in September, investigations into the dumping of imports from China regarding bars and balls of steel for grinding with a diameter of less than 4 inches were closed without protective measures after months of investigation. This decision followed the announcement by Compañía Siderúrgica Huachipato S.A. about the definitive closure of its steel operation in Talcahuano, as it became evident that its operations could not be sustained, even with the provisional measures that had been imposed during the investigation process. This was despite Moly-Cop's insistence on imposing antidumping measures on the grinding balls. The authority ultimately closed the investigation after concluding that the evidence did not demonstrate the existence of justifying causes for such measures, during which Elecmetal presented a comprehensive and solid defense for its imports of grinding balls with a diameter of less than 4 inches.

Meanwhile, in December, after a thorough investigation process, the coalition of Glass Producers of the United States decided to withdraw the dumping complaint against Chilean glass container producers, which ended an ongoing investigation without antidumping measures for Cristalerías de Chile S.A. This process was initiated in December 2023 concerning imports of glass containers from China, Mexico, and Chile.

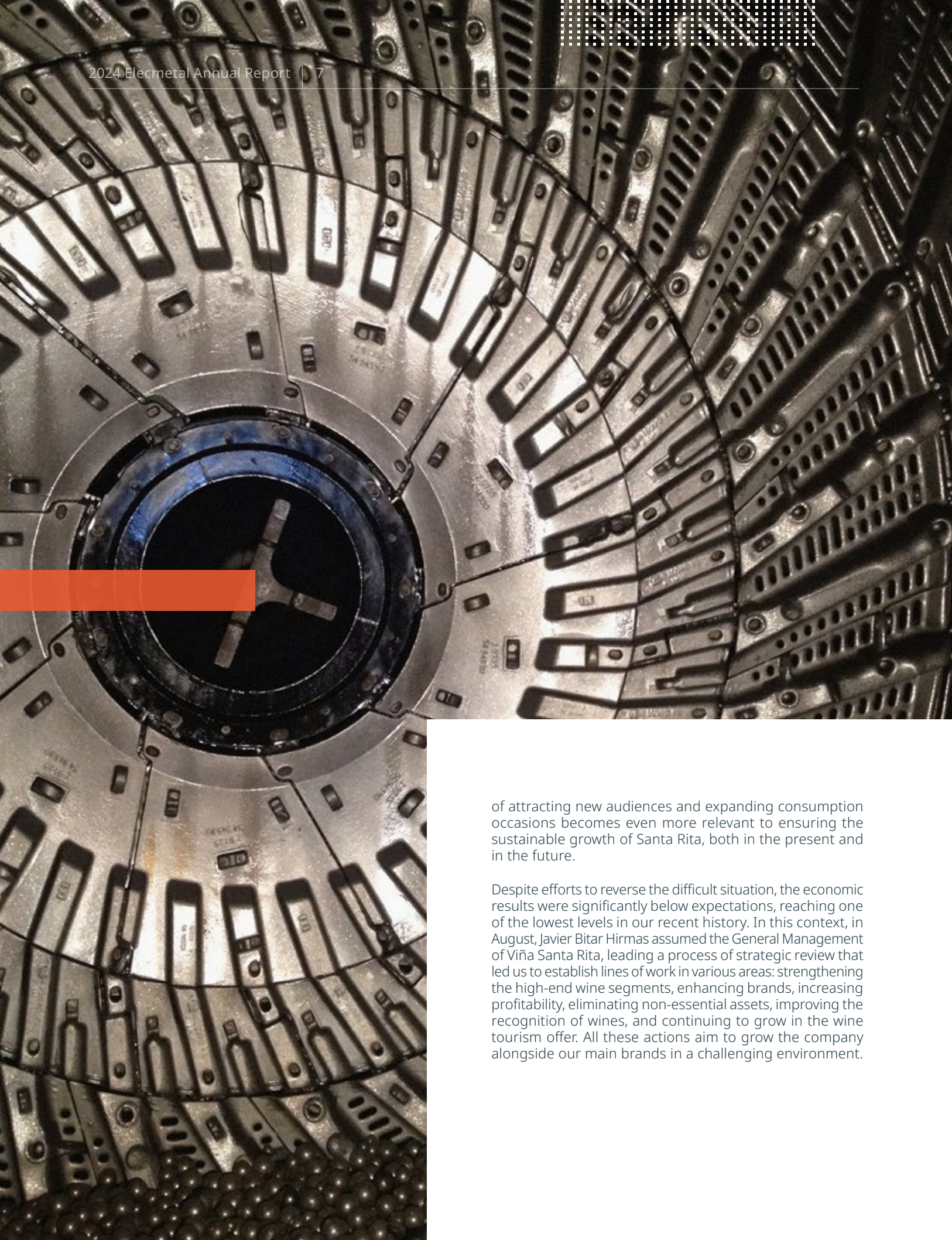
Other aspects I would like to highlight as a fundamental pillar of our strategy of products and services of utmost importance for our clients include the significant advancements we made in sustainability and innovation in 2024 through the successful launch of a new generation of high-quality steel balls for grinding with a low carbon footprint, achieving more than a 50% reduction in CO2 emissions compared to traditional grinding balls. This milestone was achieved thanks to our partner Jiangsu Longteng Special Steel Co., Ltd.'s investment in a modern steel plant based on electric arc furnace technology that produces high-quality special steels from scrap steel, avoiding the combustion of metallurgical coal typically used in traditional manufacturing processes in steel mills with blast furnaces that use iron as the main input. The initial focus of launching this new generation of grinding balls was the Chilean mining market, where we have received a favorable response, culminating in the signing of our first contract for the supply of these innovative low-footprint products with Antofagasta Minerals, marking a significant step toward advancing sustainable mining that meets the challenge of providing critical minerals to decarbonize the planet through electromobility, renewable energies, and technological advancements.

Another significant advancement in this area was the consolidation of the Footprint Alliance, a pioneering initiative created in partnership with TTM, a mining supply company, aimed at transforming mining environmental liabilities into high-value assets and recycling grinding balls using advanced technologies and innovative processes. As a sign of support for the achievements made, in December 2024, CORFO joined this effort by providing a subsidy of CL\$3.000 million to boost the development of homegrown technology that will transform mining into a greener and more sustainable model, positioning our country as a global leader in advancing more responsible mining, a circular economy, and sustainability. We are confident that the Chilean and other markets will continue adopting Elecmetal's solutions.

Cristalerías de Chile commemorated its 120 years of existence in our packaging business. The year was marked by improved operational results due to increased sales compared to the previous year and the payment of compensation for the fire that affected the Padre Hurtado Plant. However, the final result reached a lower and insufficient profit compared to the levels achieved before the pandemic, which is why we are focused on recovering those sales volume levels, especially in Chile in the segments we participate in and in exports, improving our productivity metrics in line with the facilities and the human team in charge.

On the other hand, the wine business faced a very complex year. Globally, wine production fell to its lowest level in 63 years due to extreme climatic phenomena and a reduction in worldwide consumption. Given this scenario, the challenge





of attracting new audiences and expanding consumption occasions becomes even more relevant to ensuring the sustainable growth of Santa Rita, both in the present and in the future.

Despite efforts to reverse the difficult situation, the economic results were significantly below expectations, reaching one of the lowest levels in our recent history. In this context, in August, Javier Bitar Hirmas assumed the General Management of Viña Santa Rita, leading a process of strategic review that led us to establish lines of work in various areas: strengthening the high-end wine segments, enhancing brands, increasing profitability, eliminating non-essential assets, improving the recognition of wines, and continuing to grow in the wine tourism offer. All these actions aim to grow the company alongside our main brands in a challenging environment.

Regarding the consolidated financial results for the 2024 fiscal year, Elecmetal increased its total profit by 53.1%, mainly due to the historical performance of its metallurgical business based on a solid position in the global mining market with sales in over 40 countries.

The metallurgical business generated an operating profit of CL\$ 93.912 million, driven by the favorable global mining cycle. In 2024, it had an 11.1% increase in sales and achieved higher productive efficiencies, which more than compensated for persistent inflationary pressures on costs and expenses in some markets. The intense mining activity explains this improved performance observed worldwide, primarily associated with the solid fundamentals of certain metals such as copper, which presents a sustainable long-term demand. Additionally, the results benefited from the significant increase in the average CLP/USD exchange rate, given that most of the metallurgical business is dollarized or generated in international markets.

Meanwhile, the subsidiary Cristalerías de Chile registered a 19.6% increase in revenues in 2024, mainly explained by a 14.1% increase in glass container sales and income of CL\$ 10.929 million from insurance compensation for damages due to a disruption in a furnace that occurred at the end of 2022. The Company obtained an operating profit of CL\$ 10.693 million compared to a profit of CL\$ 2.303 million in 2023.

Viña Santa Rita and its subsidiaries reported sales revenues of CL\$ 159.637 million in 2024, representing a decrease of 2.6% compared to the previous year. Despite the decline in sales, the operating result was a profit of CL\$ 16.589 million, explained by the profit from the sale of non-essential assets following the new strategy, compared to an operating profit of CL\$ 5.994 million in 2023.

In terms of consolidated operational results, there was an increase of 44.8%, reaching CL\$ 122,706 million, which was driven by improved results in the metallurgical, glass packaging, and wine businesses.

The total profit in 2024 reached CL\$ 67,625 million, representing a 53.1% increase compared to 2023. Meanwhile, the profit attributable to the owners of the parent company was CL\$ 66,430 million, which equates to a 40.3% rise compared to the previous year.

This year, I would like to express deep sorrow for the passing of our director, Mr. Alfonso Swett Opazo (may he rest in peace), who left a profound mark on the company's development. From the very first day he took on the role of director, he

studied the company in great depth and demonstrated not only his exceptional capacity for understanding and analysis but also became intensely involved in the metallurgical business, identifying the key variables for the company's future development. Furthermore, Alfonso consistently supported the company's growth projects and always showed great enthusiasm and joy, inspiring in us a positive and hopeful outlook on both business and life. Alfonso is an indelible testimony of his admirable faith, service vocation, energy, and optimism in facing challenges. We were fortunate to know a very special person, and we deeply lament his passing.

On behalf of the Board of Directors and myself, we want to congratulate all the individuals who, from their various positions, have contributed to achieving this financial result, which is in line with our business commitment to continue working with people as our primary concern, training them, and developing new skills to contribute to the society to which we owe our commitment.

With special thanks,  
Yours sincerely,

**Baltazar Sánchez G.**



# 02

Corporate  
Background





## 2.1 Vision, Mission, and Values

### Vision

ME Elecmetal will be a globally competitive supplier recognized for excellence and leadership in the sustainable delivery of integral solutions that add value to mining processes and other target markets.

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### Mission

To meet the needs and exceed the expectations of its customers, employees, suppliers, shareholders and the community through excellence in the sustainable delivery of integral solutions to the market.

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### Values

- Respect for people's dignity
- Integral human development
- Focus on internal and external customers
- Responsibility and integrity
- Commitment to sustainability



2.2.

## Historical Overview

### 1917

Compañía Electro Metalúrgica S.A., Elecmetal, was founded in 1917 by Mr. Emilio Orrego Luco, along with a group of prominent Chilean entrepreneurs and investors. The project led to the installation of the first electric steel casting furnace in Latin America, initially for manufacturing steel spare parts for the agriculture, mining, and industrial sectors, as well as the Chilean State Railroad Company.

### 1980

As a natural extension of the glass container business, the Company, through Cristalerías de Chile S.A., expanded its activities into the plastic container sector. Through this same company and in partnership with Owens Illinois, it continued its diversification policy by acquiring Viña Santa Rita Ltda. that same year, marking its entry into the agribusiness sector.

### 1992 - 1993

In 1992, the Board of Directors approved the split of Elecmetal, resulting in the creation of a new company, Quemchi S.A., to which investments in the shipping sector were transferred. In 1993, to finance its modernization and diversification process, Cristalerías de Chile S.A. carried out a capital increase. A significant portion of shares was sold in international markets via American Depositary Receipts (ADR). From then until 2005, the company traded on the New York Stock Exchange under the ticker symbol "CGW."

### 1970

In the mid-1970s, Elecmetal launched an active investment and diversification plan. In 1975, the company acquired 46% of the shares in Cristalerías de Chile S.A., a manufacturer of glass containers, through a bidding process organized by the Chilean Economic Development Agency (CORFO). The company continued acquiring shares until reaching 68.17% ownership. From that moment on, a significant process of technological and commercial modernization began, highlighted by the Company's technical assistance agreement signed in 1977 with Owens Illinois, the world's leading glass container manufacturer based in the U.S.

### 1986 - 1989

In 1986, further steps were taken within the diversification strategy. Cristalerías de Chile initially acquired 17% of Marinsa S.A., an investment company with a significant stake in Compañía Sud Americana de Vapores S.A., and continued increasing its ownership in Marinsa. At the end of 1989, Navarino S.A. was established as a spin-off from Cristalerías de Chile, transferring the company's shipping sector investments to the new entity. Also in 1989, Elecmetal continued

with its diversification plan through Cristalerías de Chile S.A., acquiring television broadcasting frequencies auctioned by Televisión Nacional de Chile and founding Red Televisiva Megavisión S.A., "MEGA." Megavisión S.A. was sold in 2012.

## 1994

In 1994, Elecmetal, through its subsidiary Cristalerías de Chile S.A., expanded into the communications sector by entering the cable television business in partnership with TCI/Bresnan, now Liberty Global Inc. Cable systems were acquired and Metrópolis S.A. was established. The following year, the Board of Directors approved the merger of Metrópolis S.A. with cable operator Intercom, forming Metrópolis-Intercom S.A., in which Cristalerías and Liberty held a 60% ownership stake. In 2000, the remaining 40% was acquired

equally by Cristalerías and Liberty. In 2005, Cristalerías de Chile established an agreement with LGI International, Inc. (a subsidiary of Liberty Global Inc.) to merge Metrópolis-Intercom and VTR GlobalCom S.A. under the latter. Cristalerías retained a 20% stake in VTR GlobalCom, which was sold in 2010.

## 1999

Cristalerías de Chile S.A. acquired 40% of Rayén Curá S.A.I.C., a glass container producer in Mendoza, Argentina, from Spanish firm Vicasa S.A. The remaining 60% is owned by the Verallia Group, one of the world's top three glass packaging producers.

## 1995

In 1995, through Cristalerías de Chile S.A., the company acquired a stake in the economic newspaper "El Diario," known today as "Diario Financiero," Chile's leading specialized financial publication. Later, it acquired Ediciones e Impresos S.A., the publisher of the magazines "CAPITAL" and "ED."

## 1996

Cristalerías de Chile S.A. acquired an additional 49.9% ownership in the plastics companies Cristal Plásticos Ltda. (Crowpla) and Reicolite S.A., bringing its ownership to 99.9% in both. These were merged into a new entity named Crowpla-Reicolite S.A. In 2001, Cristalerías de Chile S.A. and Embotelladora Andina S.A. formed a joint venture in the plastic container business through their subsidiaries Crowpla-Reicolite S.A. and Envases Multipack S.A., creating Envases CMF S.A., which they owned in equal parts until early 2012, when Cristalerías sold its stake.

Viña Santa Rita, a subsidiary, acquired 39.4% of Viña Los Vascos, later increasing it to 43% in 1999. The majority shareholder, with the remaining 57%, is Les Domaines Barons de Rothschild (Lafite), controlled by the Rothschild family. In 1997, Viña Santa Rita continued its expansion by founding Viña Doña Paula in Argentina.

## 2001

Elecmetal founded ME Global Inc. in Delaware, USA, as part of its globalization strategy as a supplier of steel components for the mining industry. With this objective, it successfully participated in the acquisition process of ME International, Inc. and ME West Castings, Inc., which were under the U.S. Chapter 11 bankruptcy proceedings due to financial troubles of their parent company, GS Industries Inc., and its

holding company, GS Technologies Corp. The assets included two high-tech foundries located in Duluth, Minnesota, and Tempe, Arizona, EE.UU.

## 2007

Elecmetal and Esco Corp. (USA) formed a joint venture, creating Esco Elecmetal Fundición Limitada. This subsidiary manufactures steel parts for earthmoving equipment and built a modern plant in Colina for domestic and export markets.

## 2003

Continuing the development of its metallurgical business, Elecmetal acquired a 60% ownership stake in the company Fundición Talleres through the National and International Public Tender for the Foundry Business of the Talleres Division carried out by Codelco, Chile. Subsequently, in 2007, Elecmetal completed the acquisition of 100% ownership.

## 2006

Cristalerías de Chile commissioned its second glass container plant in Chile, located in Llay-Llay, in the Fifth Region.

## 2009-2012

In 2009, Elecmetal began marketing grinding balls for large-scale mining. In 2011, Elecmetal and Longteng Special Steel Co., Ltd. – an important private Chinese steel company – formed a 50/50 joint venture in China named ME Long Teng Grinding Media (Changshu) Co. Ltd. The plant now operates with a capacity of 500,000 tons per year using ME Elecmetal technology and specifications. In 2012, Elecmetal continued its international expansion by establishing ME Elecmetal (China)

## 2014

Cristalerías de Chile (holding a 34% stake), in partnership with Viñedos Emiliana (33%) and Industria Corchera (33%), established the company Wine Packaging & Logistic S.A., "WPL," with the purpose of engaging in the business of providing bottling, labeling, and wine storage services. The Company's plant began operations in 2016.

## 2016

The modernization of the Fundición Talleres plant in Rancagua was completed. This project, initiated in 2015, brought cutting-edge technology to mill liner manufacturing. Elecmetal also restructured its Chilean metallurgy operations as part of its long-term strategic development plan, closing its Santiago foundry and transferring production to the new Rancagua plant. Additionally, ME Long Teng Grinding Media (Zambia) Limited was established in Lusaka. Cristalerías de

Chile inaugurated the Las Peñas Wind Farm in Arauco, marking its entry into non-conventional renewable energy generation.

Co., Ltd. in Changzhou, where a modern shell liner plant was inaugurated in 2014. Cristalerías de Chile also launched the second phase of its Llay-Llay plant, featuring a furnace with 100,000 tons of annual capacity and an investment of nearly US\$85 million.

## 2017

Elecmetal celebrated its 100th anniversary with events involving the board, shareholders, employees and their families, clients, suppliers, authorities, and friends. It also sold the V. Mackenna property in Santiago, where its former foundry, closed in 2016, had operated.

## 2018

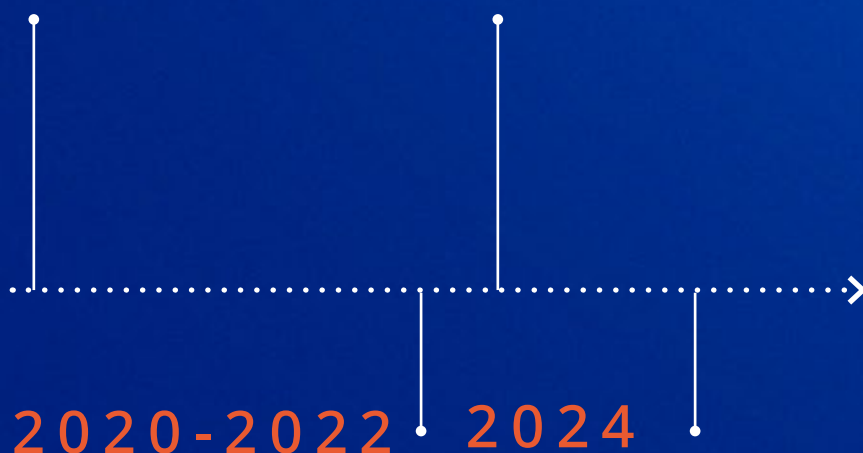
The construction of a modern grinding media manufacturing plant in Zambia was completed this year to meet the needs of mining customers in Africa. Toward the end of the year, the facility was inaugurated and began operations and sales.

## 2019

Cristalerías de Chile continued investing in its glass container business, completing the third phase of the Llay-Llay plant. The project, valued at approximately US\$120 million, included the construction of a furnace with a melting capacity of approximately 100,000 tons per year.

## 2023

As the country returned to normal after the pandemic, the company reaffirmed its commitment to developing a long-term sustainable business and to advancing the delivery of integrated solutions for sustainable mining.



## 2020-2022

Elecmetal and its subsidiaries overcame multiple challenges stemming from the pandemic, maintaining uninterrupted operations at its plants while prioritizing the health and safety of its people and their families. Across its businesses, the company maintained operational continuity, adapted inventory levels to manage significant supply chain and logistics constraints, and adjusted its commercial strategies to continue delivering products and services with its hallmark excellence.

## 2024

The company continued the international expansion of its production capacity with the acquisition of steel component foundries in Peru and later in South Africa.





## 2.3.

## Ownership

## 2.3.1

### CONTROL SITUATION

The ultimate controlling shareholder of Cía. Electro Metalúrgica S.A. is Fundación Educacional Internacional Claro Vial, whose Patron is Mrs. María Luisa Vial de Claro, Tax ID No. 2,852,104-9.

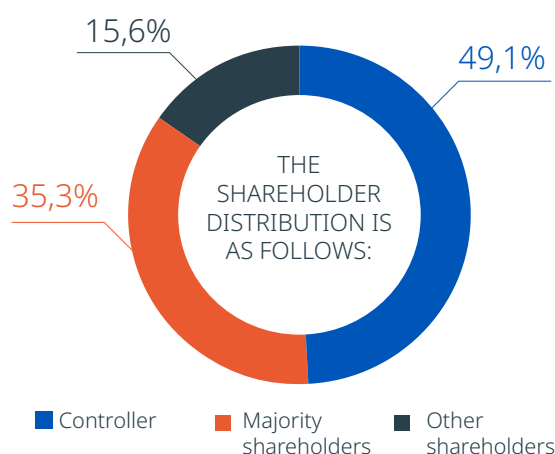
Fundación Educacional Internacional Claro Vial directly and indirectly controls 49.10% of the company's issued voting shares.

The following entities and individuals: Fundación Educacional Internacional Claro Vial, Productos Agrícolas Pucalán S.A., Marítima de Inversiones S.A., Quemchi S.A., Inmobiliaria Villarrica Ltda., Navarino S.A., Sucesión Ricardo Claro Valdés, Inversiones San Carlos Ltda., María Luisa Vial de Claro, and Inversiones San Luis Ltda., have not formalized a joint action agreement; however, the presumption of joint action set forth in Article 98 of the Chilean Securities Market Law applies to them.

## 2.3.2

### SIGNIFICANT CHANGES IN OWNERSHIP OR CONTROL

During the 2024 period, there were no significant changes in the ownership or control of the Company.



Tax ID	Shareholder	No. Shares	%
92.410.000-1	PRODUCTOS AGRICOLAS PUCALAN S.A.	10.919.926	24,93%
94.660.000-8	MARITIMA DE INVERSIONES S.A.	4.787.578	10,93%
96.640.360-8	QUEMCHI S.A.	1.704.643	3,89%
79.768.250-0	INMOBILIARIA VILLARRICA LTDA.	1.666.857	3,81%
96.566.900-0	NAVARINO S.A.	859.540	1,96%
3.158.999-1	CLARO VALDES, SUCESION RICARDO	733.833	1,68%
76.503.426-4	INVERSIONES SAN CARLOS LIMITADA	521.737	1,19%
2.852.104-9	VIAL LECAROS, MARIA LUISA	220.988	0,50%
76.082.543-3	INVERSIONES SAN LUIS LTDA.	89.686	0,20%
<b>Total</b>		<b>21.504.788</b>	<b>49,10%</b>

## 2.3.3

## IDENTIFICATION OF MAJORITY SHAREHOLDERS OR PARTNERS

Regarding majority shareholders, the individuals or legal entities that directly or indirectly own or control shares representing 10% or more of the Company's capital during the period are as follows:

Individuals or legal entities related to Mr. Alfonso Swett Saavedra, Tax ID No. 4,431,932-2, who represent 21.46%, are as follows:

Tax ID	Shareholder	No. Shares	%
95.819.000-K	COSTANERA S.A.C.I.	8.986.383	20,52%
4.431.932-2	SWETT SAAVEDRA, ALFONSO	385.235	0,88%
4.775.070-9	OPAZO HERREROS, MARIA ISABEL	7.780	0,02%
13.272.501-2	SWETT OPAZO, MACARENA	3.071	0,01%
9.978.453-9	SWETT OPAZO, CAROLINA	3.000	0,01%
7.016.199-0	SWETT OPAZO, SEBASTIAN	1.247	0,00%
19.638.226-7	SWETT MATTE, ALFONSO	1.000	0,00%
19.246.705-5	SWETT MATTE, NICOLAS	1.000	0,00%
21.146.810-6	SWETT MATTE, PAULINA	1.000	0,00%
20.072.271-K	SWETT MATTE, SANTIAGO	1.000	0,00%
20.445.416-7	SWETT MATTE, SEBASTIAN	1.000	0,00%
19.638.755-2	SWETT SCHMIDT, MARGARITA MARIA	1.000	0,00%
19.245.871-4	SWETT SCHMIDT, MARIA FRANCISCA	1.000	0,00%
18.932.544-4	ALLARD SWETT, BLANCA	1.000	0,00%
21.097.289-7	ALLARD SWETT, JUAN	1.000	0,00%
19.638.685-8	ALLARD SWETT, MARIA CAROLINA	1.000	0,00%
19.245.368-2	HEVIA EDWARDS, JOSEFINA ANTONIA	1.000	0,00%
7.016.281-4	SWETT OPAZO, ALFONSO	67	0,00%
<b>Total</b>		<b>9.397.783</b>	<b>21,46%</b>

Individuals or legal entities related to Mr. Patricio García Domínguez, Tax ID No. 3,309,849-9, who represent 13.86%, are as follows:

Tax ID	Shareholder	No. Shares	%
93.727.000-3	CIA. DE INVERSIONES LA ESPAÑOLA S.A.	3.683.124	8,41%
96.502.680-0	INVERSIONES ALONSO DE ERCILLA S.A.	1.370.955	3,13%
95.412.000-7	CIA. INMOBILIARIA LA HISPANO CHILENA S.A.	252.692	0,58%
96.544.460-2	INVERSIONES SAN BENITO S.A.	157.476	0,36%
99.040.000-8	INVERSIONES HISPANIA S.A.	145.000	0,33%
96.544.440-8	INVERSIONES MONTEMARCELO S.A.	95.481	0,22%
76.214.191-4	INVERSIONES AUSEJO SPA	70.102	0,16%
76.214.192-2	INVERSIONES GLOGAR S.A.	70.102	0,16%
76.214.193-0	INVERSIONES LAGO GRIS S.A.	70.102	0,16%
76.214.203-1	INVERSIONES SANTA CLARA S.A.	70.102	0,16%
96.514.120-0	INVERSIONES BEDA S.A.	63.597	0,15%
84.754.700-6	ASESORIAS Y SERV. FINAN. GALICIA LTDA.	13.106	0,03%
3.115.198-8	GARCIA DOMINGUEZ, GLORIA	9.250	0,02%
<b>Total</b>		<b>6.071.089</b>	<b>13,86%</b>

## 2.3.4

## SHARES, THEIR CHARACTERISTICS AND RIGHTS

As of December 31, 2024, the subscribed and paid-in capital amounts to ThCh\$23,024,952, represented by 43,800,000 fully subscribed and paid-in shares of a single series.

The Company has not issued any shares or convertible instruments during the year that would change the number of shares outstanding as of December 31, 2024.

The dividend policy in effect for fiscal year 2024 was approved at the Annual Shareholders' Meeting held in April 2024 and is as follows:

Of the distributable net income of each year, and provided there are no accumulated losses, at least 40% shall be allocated to the payment of cash dividends, which may be interim or final. The possibility of agreeing to higher dividends will be evaluated, based on the Company's results, prevailing

economic conditions, necessary investments for the proper development of operations, and the Company's liquidity situation, which is strongly influenced by dividends received from subsidiaries or affiliates.

Interim dividends may be agreed upon by the Board of Directors in office, typically held at a meeting prior to the months of July, October, and January, in amounts deemed appropriate in each case, based on the Company's results during the fiscal year and as allowed by the economic situation of the country and the Company.

## STATISTICAL INFORMATION:

Year	Type	Dividends	No. shares	\$ per Share	Total Dividend	Annual profit
2024	Interim	277,278	43.800.000	148,00	6.482.400.000	2024
	Final	276	43.800.000	210,30	9.211.140.000	2023
	Interim	275	43.800.000	74,00	3.241.200.000	2023
2023	Interim	273,274	43.800.000	148,00	6.482.400.000	2023
	Final	272	43.800.000	248,95	10.904.010.000	2022
	Interim	271	43.800.000	74,00	3.241.200.000	2022
2022	Interim	269,270	43.800.000	148,00	6.482.400.000	2022
	Final	268	43.800.000	140,16	6.139.008.000	2021

## STOCK EXCHANGE TRANSACTIONS

During 2024, there were no stock transactions by the Chairman, Directors, Chief Executive Officer, or senior executives.

During the period, the Company's shares recorded the following stock exchange transactions:

## a) On the Santiago Stock Exchange, according to the following quarterly breakdown:

2024	Price (\$)	Volume (No. Shares)	Traded Amount (\$)
Q1	8.343	4.270	35.622.696
Q2	7.116	15.985	113.748.842
Q3	7.205	11.240	80.986.611
Q4	7.167	14.887	106.697.127

AS OF DECEMBER 31, 2024, THE TOTAL NUMBER OF SHAREHOLDERS OF COMPAÑÍA ELECTRO METALÚRGICA S.A. WAS 387.

## b) The Company's shares did not record any transactions on the Chilean Electronic Stock Exchange.

## 2.3.5

## OTHER SECURITIES

## 1. BONDS OF COMPAÑÍA ELECTRO METALÚRGICA S.A.

**A. Series D for UF 1,500,000:**

By means of a public deed dated May 28, 2009, as amended by a supplementary public deed dated June 22, 2009, Compañía Electro Metalúrgica S.A. entered into a 23-year bond agreement with Banco de Chile acting as bondholders' representative and paying bank.

**B. Series F for UF 2,000,000:**

By means of a public deed dated June 10, 2022, as amended by a supplementary public deed dated July 6, 2022, Compañía Electro Metalúrgica S.A. entered into a 10-year bond agreement with Banco Santander Chile acting as bondholders' representative and paying bank.

## 2. BONDS OF CRISTALERÍAS DE CHILE S.A.

**A. Series F for UF 1,000,000:**

By means of a public deed dated July 20, 2009, Cristalerías de Chile S.A. entered into a 20-year bond agreement with Banco de Chile acting as the bondholders' representative and paying bank.

## 3. BONDS OF S.A. VIÑA SANTA RITA

**A. Series F for UF 1,750,000:**

By means of a public deed dated August 18, 2009, S.A. Viña Santa Rita entered into a 21-year bond agreement with Banco de Chile acting as the bondholders' representative and paying bank.





# 03

## Corporate Governance



3.1.

## Governance Framework

*Elecmetal's highest corporate governance body is the Board of Directors. Its mission is to realize the Company's vision for the future and its Mission by appointing the leadership team, defining the corporate business strategy, organizational structure, and the resources used, among other matters, all while maximizing the performance of its businesses in accordance with the Company's Values and the expectations of its stakeholders.*

To ensure the proper functioning of corporate governance, Elecmetal establishes policies, procedures, control and monitoring structures, audits, and ongoing reviews. It also has a Business Conduct Standard aimed at promoting a culture of integrity, honesty, and responsibility, in line with the Company's Values.

In addition, it has a long-term strategic focus, with particular emphasis on people, sustainability, customers, production plants, and profitability. The Board focuses on the key matters linked to the development of its different business units, as well as on the risks associated with each. This is supported by annual, medium- and long-term plans that include initiatives and targets to guide the organization's efforts toward achieving its vision of becoming a globally competitive supplier, recognized for its excellence and leadership in the sustainable delivery of integral solutions that add value to mining processes and other target markets.

These plans and objectives focus on achieving global competitiveness, maintaining operational excellence, and delivering integral solutions to clients—elements that constitute the Company's main strategic pillars. Transversally, they are driven by the Sustainability Strategy and its four pillars: ME Elecmetal Signature, Our People, Environment, and Value Creation Connections for our key stakeholders. These cover mainly occupational health and safety, innovation and digitization, operational excellence, environmental care, and climate change.

The Company continuously and strategically allocates corporate resources to Research and Development (R&D) activities. Its strategy of providing differentiated solutions that add value to mining processes places high importance on innovation and continuous improvement of processes, products, and services. Accordingly, it has a dedicated budget for promoting research, the development of new products and technologies, and process optimization. This commitment to R&D enables

the Company to remain competitive in the various markets in which it operates and to meet the ever-changing needs of its clients. In 2024, more than US\$5.8 million was allocated to these activities in the metallurgical business.

The Company also actively manages regulatory compliance risks through the design and implementation of an Integrity and Compliance Program. This program coordinates efforts to prevent, detect, and respond to any acts or conduct that violate—or may violate—the Company's Mission, Vision, Values, applicable laws and regulations, and internal policies and procedures. It is complemented by a Crime Prevention Model that helps manage and monitor the processes and behaviors exposed to the offenses set forth in Chilean Law No. 20,393 and its successive amendments, which define specific criminal offenses and the criminal liability of legal entities.

Stakeholder relations are managed through areas defined by the Sustainability Strategy, which in turn identify priority stakeholders under each of the four pillars. The ME Elecmetal Signature pillar primarily targets shareholders and the Board of Directors, addressing corporate governance, transparency, and financial sustainability. The Our People pillar focuses on direct and indirect employees, addressing workplace wellbeing, safety, and professional development. The Environment pillar addresses the interests of customers and the community, focusing on environmental management, energy efficiency, and impact reduction. The Value Creation Connections pillar is directed at customers, suppliers, and the community, emphasizing innovation, service quality, and supply chain development.

To better define stakeholder engagement efforts, the Company has decided to conduct, during 2025, a diagnostic assessment of its most relevant areas of influence. The goal is to generate stakeholder maps tailored to the specific contexts and territories where ME Elecmetal operates.

To strengthen ME Elecmetal's sustainable management, a sustainability governance structure was formally integrated into Corporate Governance and aligned with three key mandates of the Board: the integration of these matters into the Company's organizational structure; the promotion of alignment with strategic objectives; and the enablement of sustainability management through existing committees, optimizing resources and ensuring operational efficiency and coherence.

In response to the diversity and inclusion challenges facing the industry and ME Elecmetal, a committee called the "People Task Force" was formally established. This committee brings together the human resources leaders of ME South America, ME North America, and ME China, coordinated by the

Sustainability Area based in Chile. Its purpose is to promote the exchange of experiences, learnings, and insights in talent management, addressing issues such as talent attraction, development, and retention, among others.

## BOARD OF DIRECTORS

The members of the Board of Directors are elected as a result of the shareholders' decision at the Annual Shareholders' Meeting, when applicable under the law and bylaws. It is composed of seven directors, of whom, as of the last election held on April 12, 2023, one is independent and six are related to the controlling entity and/or main shareholders. As of December 31, 2024, following the passing of Director Mr. Alfonso Andrés Swett Opazo on November 24, the Board is composed of six members. In the session held on November 28, 2024, the Board resolved to leave the position vacant.

According to the regulations for corporations, the entire Board must be renewed at the next Shareholders' Meeting. According to Chilean Law No. 18,046 on Corporations, directors may remain in office for three years and may be reelected indefinitely. The Board meets regularly once a month and holds extraordinary meetings when appropriate, in accordance with applicable laws, regulations, and the Company's bylaws.

## BOARD'S ROLE

The Board's main role is the strategic management of the Company, including validating its strategy by reviewing, adjusting, and monitoring its implementation, and reviewing and approving the

annual and long-term business plans and the budget required to execute them. It also defines and monitors short-term, medium-term, and long-term investment activities, ensuring compliance with the corporate strategy and maintaining an appropriate debt structure over time. Additionally, it appoints the Chief Executive Officer of the Company and also approves the hiring of the Chief Executive Officer's direct reports.

The Board meets at least four times a year with representatives of the external audit firm appointed by the Annual Shareholders' Meeting to analyze the financial statements, the audit plan, internal control evaluations, and other relevant matters.



### INDEPENDENT DIRECTOR

According to Article 50 Bis of Chilean Law No. 18,046, publicly held corporations must appoint at least one Independent Director when the company has stock market equity equal to or greater than the equivalent of 1,500,000 UF and at least 12.5% of its voting shares are held by shareholders who individually control or own less than 10% of such shares.

An Independent Director is someone who does not have any of the ties or relationships with the controlling shareholder described in Article 50 Bis. In the case of Elecmetal, the Independent Director is Mr. Carlos F. Cáceres Contreras.

### FREE COMPETITION MODEL

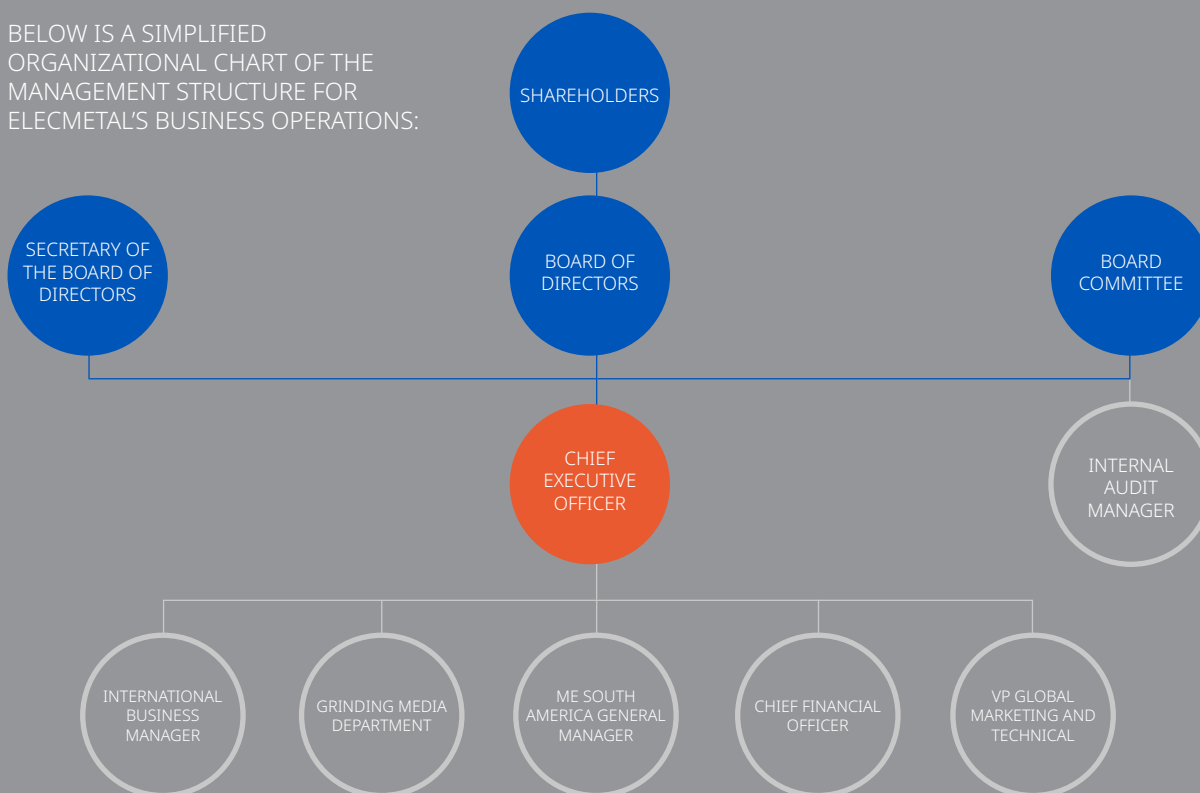
The Company has a Free Competition Manual, which aims to disseminate and fulfill its commitment to fully comply with antitrust laws and serve as a guide for all ME Elecmetal employees. Its purpose is to prevent infractions, provide guidelines, and offer basic recommendations on how to act in this regard. The Company's Antitrust Compliance Model consists of a monitoring system using various tools to supervise processes or activities exposed to the risk of committing the offenses listed in Decree Law No. 211 and its amendments, with the main objective of preventing and timely detecting potential violations.

### CRIME PREVENTION MODEL

In addition, the Company has implemented a Crime Prevention Model as required under Law No. 20,393, which establishes a program to prevent, detect, and sanction actions that may lead to the commission of crimes defined by that law and subsequent legislation that has added new categories of offenses. ME Elecmetal's model includes the appointment of a Crime Prevention Officer, allocation of resources and powers to that Officer, establishment of policies and procedures for control compliance, preventive activities (such as employee training, contract clauses for staff and suppliers, and conflict of interest declarations), detection actions (maintenance of a risk and control matrix), operation of an Ethics Committee, independent external review of the model, as well as investigation and sanction processes, anonymous whistleblower channel operations, and other compliance activities. The Board, supported by the Board of Directors' Committee—chaired by the Independent Director Mr. Carlos F. Cáceres Contreras—ensures full compliance with these responsibilities.

The Company continuously promotes the adoption of policies related to the four pillars of its Sustainability Strategy so that its way of doing business and daily operations are framed within and consistent with the Company's Values, where the primary value is respect for human dignity, which demands active management across various areas.

BELOW IS A SIMPLIFIED ORGANIZATIONAL CHART OF THE MANAGEMENT STRUCTURE FOR ELECMETAL'S BUSINESS OPERATIONS:



3.2.

## Board of Directors

### CHAIRMAN

**BALTAZAR SÁNCHEZ GUZMÁN**

**Date of last re-election:** April 12, 2023

Background: Commercial Engineer, Pontificia Universidad Católica de Chile. Chairman of the Boards of Cristalerías de Chile S.A., Sociedad Anónima Viña Santa Rita, Ediciones Financieras S.A., and Quilicura S.A.; Vice Chairman of the Boards of Quemchi S.A. and Marinsa S.A.; Director of ME Global Inc. (USA), Navarino S.A., Inversiones Siemel S.A., and Sociedad Anónima Jahuel, Aguas Minerales y Balneario. Board Member of Agrícola La Martina Ltda.

Chief Executive Officer of COPEC between 1985 and 1990; Director of Old Georgians Association.

**Director since:** July 31, 1986

### VICE CHAIRMAN

**CRISTÓBAL EYZAGUIRRE BAEZA**

**Date of last re-election:** April 12, 2023

Background: Lawyer, Pontificia Universidad Católica de Chile, LL.M. in Law from Harvard Law School. Partner at Claro y Cía.; Chairman of the Board of Quemchi S.A.; Vice Chairman of the Boards of Cristalerías de Chile S.A. and Sociedad Anónima Viña Santa Rita; Director of Compañía Sudamericana de Vapores S.A.; Director of Fundación Educacional Claro Vial, Fundación Educacional Internacional Claro Vial, and Protectora de la Infancia. Professor of Civil Law at Pontificia Universidad Católica de Chile.

**Director since:** April 28, 2022

### DIRECTOR

**CARLOS F. CÁCERES CONTRERAS**

**Date of last re-election:** April 12, 2023

Background: Commercial Engineer, Pontificia Universidad Católica de Valparaíso. MBA, Cornell University. ITP, Harvard Business School. Director of companies and nonprofit institutions; Chairman Emeritus of the Advisory Council of Instituto Libertad y Desarrollo; Full Member of the Chilean Academy of Social, Political, and Moral Sciences, Instituto de Chile. Has held public positions such as Member of the Council of State, Chairman of the Central Bank of Chile, Minister of Finance, and Minister of the Interior.

**Director since:** April 23, 2013

**Independent Director**

**JOSÉ IGNACIO FIGUEROA ELGUETA**

**Date of last re-election:** April 12, 2023

Background: Lawyer; LL.M. in Business Law from Pontificia Universidad Católica de Chile. Director of Cristalerías de Chile S.A. and Sociedad Anónima Viña Santa Rita. Independent legal practice. Board Member of Corporación de Adelanto de Farellones.

**Director since:** April 20, 2016

**FERNANDO FRANKE GARCÍA**

**Date of last re-election:** April 12, 2023

Background: Commercial Engineer and Master in Finance, Universidad Adolfo Ibáñez. Director of Cristalerías de Chile S.A., Compañía de Inversiones La Española S.A., Colegio Cree de Cerro Navia, and other public and private corporations..

**Director since:** April 21, 2013

**ALFONSO SWETT SAAVEDRA**

**Date of last re-election:** April 12, 2023

Businessman

Background: Businessman. Chairman of the Board of Forus S.A., Costanera S.A.C.I., Inmobiliaria Costanera S.A., and Olivos del Sur S.A.; Director of Cristalerías de Chile S.A., Sociedad Anónima Viña Santa Rita, and Protectora de la Infancia; Honorary Board Member of SOFOFA.

**Director since:** April 28, 1975

Elecmetal S.A. does not have alternate directors; all six board members are principal directors.

The Company does not maintain a matrix that records the knowledge, skills, and experience of the members of the Board of Directors. However, all members have extensive professional experience, solid business careers, and are widely recognized for their personal and professional prestige.

The Board of Directors has a procedure for the proper induction of new directors joining the board. This includes meetings with other directors, the CEO, and other executives, aimed at understanding the company's vision, mission, business characteristics, the market in which the Company operates, strategic direction, financial matters, values, code of conduct, and other key policies and practices. This document is available on the Company's corporate website.

The Board of Directors approves the hiring of specific consultancies and advisory services for certain matters; generally, however, these services are contracted by Management. When necessary, the Board evaluates the suitability, experience, and cost of alternatives to choose the most appropriate option. During 2024, no consultancies were contracted directly by the Board or the Directors' Committee.

Regarding the external audit service for the annual financial statements, at the Annual Shareholders' Meeting held on April 10, 2024, KPMG Auditores Consultores SpA was appointed as external auditors for the 2024 fiscal year.

The Company has an Internal Audit Unit that reports directly to the Board of Directors' Committee, which in turn reports to the Board of Directors, in meetings scheduled according to an annual calendar. The Committee approves the activities of this Unit, which include the annual internal audit plan, the Crime Prevention Model under Law No. 20,393 and its amendments, as well as compliance with Law No. 21,595 on Economic and Environmental Crimes.

The Board meets with the external audit firm at least four times per year. Some of these meetings are held without the presence of the CEO or other executives. These sessions review and address the annual audit program, the mid-year limited review, the internal control report, the annual financial statements, and the corresponding audit opinion.

At least quarterly, and alongside the analysis of financial statements, reasoned analysis, and risk assessments, the Board of Directors is informed of significant matters related to social, environmental, and climate change issues. The organization has a Sustainability Area responsible for leading and coordinating social responsibility, environmental, and sustainable development initiatives, although these responsibilities are distributed across all Company departments.

The Chairman and members of the Board of Directors conduct on-site visits to learn about various aspects of plant operations, new investments, etc. The CEO and other executives participate in these activities.

The Board has not formalized a performance evaluation procedure. It has held update meetings on business, legal, and regulatory matters, including the recent Law No. 21,595 on Economic and Environmental Crimes.

The Company complies with applicable legal regulations and its bylaws. It holds at least 12 Board meetings per year, scheduled in a calendar set at the beginning of each year. The Board meets monthly in accordance with legal requirements. The minimum average time dedicated (in person and remotely) to Board sessions is approximately three and a half hours per month. The meeting call and supporting documents are sent one week prior to each Board session.

In the event of disruptive events, the Board specifically monitors them to ensure the protection of people, operational continuity, and the normal functioning of the business. The Board does not formally define changes in its internal organization or procedures in such cases; however, it may hold special sessions or create special committees to address contingencies or crises.

Board members have access to agendas, minutes, summaries, and Board documents via email sent by Management before each session. Each director may save the materials for future reference. All this information is also available in the Company's records and may be requested at any time. Directors also have ongoing access to the platform implemented for the Whistleblower Channel.

The remuneration of the Board of Directors is as follows:

## PROFIT SHARING:

### 2024

ThCh\$354,996 to Mr. Baltazar Sánchez G.; ThCh\$177,498 to each of Messrs. Carlos F. Cáceres C., Cristóbal Eyzaguirre B., José I. Figueroa E., Fernando Franke G., Alfonso A. Swett O., and Alfonso Swett S

### 2023

ThCh\$262,002 to Mr. Baltazar Sánchez G.; ThCh\$155,191 to each of Messrs. Carlos F. Cáceres C., José I. Figueroa E., Fernando Franke G., Alfonso A. Swett O., and Alfonso Swett S.; ThCh\$105,452 to Mr. Cristóbal Eyzaguirre B.; ThCh\$94,243 to the estate of Mr. Juan Antonio Álvarez A.

## PER DIEM FOR ATTENDANCE TO BOARD MEETINGS:

### 2024

ThCh\$1,694 to each of Messrs. Carlos F. Cáceres C., José I. Figueroa E., Fernando Franke G., and Baltazar Sánchez G.; ThCh\$1,564 to Messrs. Alfonso Swett S., Alfonso A. Swett O., and Cristóbal Eyzaguirre B.

### 2023

ThCh\$1,622 to each of Messrs. José I. Figueroa E., Fernando Franke G., Baltazar Sánchez G., and Alfonso A. Swett O.; ThCh\$1,497 to Mr. Carlos F. Cáceres C. and Alfonso Swett S.; ThCh\$998 to Mr. Cristóbal Eyzaguirre B.; ThCh\$499 to the estate of Mr. Juan Antonio Álvarez A.

## A. MEN/WOMEN /REGULARS/ALTERNATES

Gender	Men	Women
REGULARS	6	0

## B. BY NATIONALITY M/W AND R/A

Nationality	Chileans		Foreigners	
	M	W	M	W
REGULARS	6	0	0	0

## C. AGE RANGE

Years	<30		30 - 40		41 -50		51-60		61-70		>70	
	M	W	M	W	M	W	M	W	M	W	M	W
REGULARS	0	0	0	0	0	0	2	0	1	0	3	0

## D. TENURE

Years	<3		3- 6		6 - 9		9 -12		>12	
	M	W	M	W	M	W	M	W	M	W
REGULARS	1	0	0	0	1	0	2	0	2	0

## E. DISABILITIES

Disabilities	Disabilities		No Disabilities	
	M	W	M	W
REGULARS	0	0	6	0

*There are no wage gaps in the Company's Board of Directors.*

THE FOLLOWING TABLE SHOWS THE PERCENTAGE OF COMPANY SHARES HELD BY DIRECTORS AS OF DECEMBER 31, 2024:

Director	Direct (%)	Indirect (%)
ALFONSO SWETT SAAVEDRA	0,88%	20,58%
FERNANDO FRANKE GARCÍA	-	13,86%
JOSÉ IGNACIO FIGUEROA ELGUETA	-	5,21%
BALTAZAR SÁNCHEZ GUZMÁN	0,00%	-

*During the 2024 period, there were no significant changes in share ownership.*

## 3.3.

## Board of Directors' Committee

At the Board of Directors' Meeting held on April 12, 2023, following the Annual Shareholders' Meeting in which the election of directors was carried out for a new 3-year term as established in the bylaws, the Board of Directors' Committee of Elecmetal S.A. was elected, pursuant to Article No. 50 bis of Law 18,046. The elected directors were Carlos F. Cáceres Contreras, Cristóbal Eyzaguirre Baeza, and Alfonso Swett Saavedra. Mr. Carlos F. Cáceres Contreras assumed the role of Chairman of the Board of Directors' Committee.

The Committee holds monthly regular meetings to address matters entrusted to it by Article No. 50 bis of Law 18,046. The Board of Directors' Committee of our Company reviews and supervises, among other things, the matters set forth in Article 50 bis of Chilean Law No. 18,046 on Corporations. The main topics addressed include, but are not limited to:

**Consolidated Financial Statements:** The Committee reviews the consolidated financial statements, the management discussion and analysis, and the business risk analysis on a quarterly basis, presenting the results of its review to the Board of Directors for approval and issuance.

**External Audit Report:** The Committee reviews external audit reports on the Company's financial statements, including the Management Letter on control deficiencies identified during the audit, assessing their reliability and compliance with applicable regulations. As part of this process, the Committee meets twice a year with the external audit firm to discuss the audit of the interim and year-end consolidated financial statements. Additional meetings are held as needed to address specific matters.

**Related Party Transactions:** The Committee reviews transactions and contracts with related parties to ensure that they are aligned with market conditions and managed in accordance with legal requirements.

**Corporate Governance and Compliance Policies:** The Committee monitors compliance with corporate governance and compliance policies, including the implementation of best practices and efforts to strengthen transparency and ethical management. Particular emphasis is placed on all matters related to Law No. 20,393 and the proper implementation and functioning of the Crime Prevention Model. This includes the Committee's review of the model's main components, such as training activities, the whistleblower program and investigations, and the conflict-of-interest declaration process for employees, among other related matters.

**Risks and Internal Audit:** The Committee analyzes key operational, financial, and regulatory risks facing the Company, as well as the effectiveness of internal controls implemented to mitigate those risks. In this context, it reviews the results of the internal control assessments and the follow-up of management's action plans by the Internal Audit unit, which operates under an Audit Plan also approved by the Committee.

**Strategic Risk Map:** Every three years, the Committee reviews the process of identifying, assessing, and prioritizing strategic risks. Additionally, the Committee annually reviews the update of the strategic risk map prepared by management and reports the outcome to the Board.

**Compensation Policy:** The Committee annually reviews the Company's compensation policy and the remuneration of key executives.

**Shareholders' Meeting Matters:** The Committee annually reviews and submits to the Board of Directors its proposal for the appointment of external auditors and risk rating agencies.

### BOARD OF DIRECTORS' COMMITTEE ACTIVITIES:

The main activities carried out by this Committee during the 2024 fiscal year were as follows:

- a) Review of external auditors' reports and the financial statements of Elecmetal S.A. corresponding to the 2023 year-end closing and issuance of a recommendation to the Board of Directors for their approval and submission to the Financial Market Commission (CMF), followed by presentation at the Annual Shareholders' Meeting for approval.
- b) Review of the 2024 Interim Financial Statements (March, June, and September) and the review of the external auditors' report on the interim review of the financial statements as of June 30, 2024.
- c) Review and approval of usual and customary related-party transactions: purchases and sales within the metallurgical business line with Esco Elecmetal Fundación Limitada, Fundación Talleres Ltda., ME Global Inc., ME Elecmetal (China) Co. Ltd., among others, and other business-line transactions with Cristalerías de Chile S.A., Servicios y Consultorías Hendaya S.A., Servicios Compartidos Tichel Ltda., Ediciones Financieras S.A., S.A. Viña Santa Rita, and others.

- d) Review of proposals and recommendation to the Board of Directors for the appointment of independent auditors and risk rating agencies, suggested to the Annual Shareholders' Meeting in April 2024.
- e) Meetings with the independent auditors KPMG to analyze and review the financial statements, the audit plan, their observations, and other related matters.
- f) Meetings with the Internal Audit Manager to review matters such as the Crime Prevention Model under Law No. 20,393, the new Law No. 21,595 on Economic and Environmental Crimes, the results of the corporate strategic risk map, adoption of CMF regulations and other applicable rules, objectives under the Audit Plan, progress and results review, whistleblower reports and investigation outcomes, etc.
- g) Additionally, in specific meetings, the Board of Directors' Committee analyzed the client portfolio, transfer prices related to transactions between Elecmetal and its related foreign companies, evaluation of the Internal Audit unit, and the employee compensation and incentive structure, among other topics.

Although there are no specific policies for hiring consultants, the Board of Directors follows the practice of approving by majority each new hiring of an expert advisor in accounting, finance, legal, or other matters. For each case, the Board evaluates the suitability, experience, and cost of each candidate to make the best choice.

For fiscal year 2024, the Annual Shareholders' Meeting approved a budget of 1,000 Unidades de Fomento for the Committee's operating expenses. These include fees for independent external consultants and expenses related to the updating of the Crime Prevention Model, regulatory compliance work regarding the certification of said model, operation of the corporate whistleblower system, and other matters.

Remuneration of the Board of Directors' Committee:

**2024**

ThCh\$59,166 to Messrs. Carlos F. Cáceres C., Cristóbal Eyzaguirre B., and Alfonso Swett S.

**2023**

ThCh\$51,569 to Messrs. Carlos F. Cáceres C. and Alfonso Swett S.; ThCh\$15,400 to Mr. Baltazar Sánchez G.; ThCh\$25,996 to Mr. Cristóbal Eyzaguirre B.

The Board of Directors' Committee, through its Chairman, reports to the Board of Directors immediately after each of the nine annual meetings held as a minimum.

## 3.4.

## Senior Management

### CHIEF EXECUTIVE OFFICER

EUGENIO ARTEAGA INFANTE

6.374.575-8

Commercial Engineer and MBA, Pontificia Universidad Católica de Chile.

**Start date:** June 1, 2017. Has held the position since January 1, 2022.

### INTERNATIONAL BUSINESS MANAGER

EDUARDO MUÑOZ HUERTA

7.311.248-6

Commercial Engineer, Universidad de Chile.

**Start date:** October 17, 2016.

### CHIEF EXECUTIVE OFFICER ME SOUTH AMERICA

JOSÉ PABLO DOMÍNGUEZ BUSTAMANTE

10.557.722-2

Commercial Engineer and MBA, Pontificia Universidad Católica de Chile.

**Start date:** January 23, 2004. Has held the position since January 1, 2018.

### GLOBAL MARKETING MANAGER

ROBERTO LECAROS VILLARROEL

9.982.226-0

Civil Engineer, Pontificia Universidad Católica de Chile.

**Start date:** May 2, 2010. Has held the position since April 1, 2020.

### INTERNAL AUDIT MANAGER

RODRIGO CARREÑO OSORIO

12.657.563-7

Certified Public Accountant and Auditor, Universidad de Santiago de Chile; MBA, Universidad Adolfo Ibáñez.

**Start date:** March 2, 2020.

### CORPORATE ADMINISTRATION AND FINANCE MANAGER

NICOLÁS CUEVAS OSSANDÓN

7.050.857-5

Commercial Engineer, Pontificia Universidad Católica de Chile.

**Start date:** December 1, 1994. Has held the position since January 1, 2020.

Gross compensation paid to senior executives of the parent company during 2024 totaled Ch\$2,160 million; in 2023 it was Ch\$1,845 million.

It is noted that there are no incentive plans related to stock compensation, stock options or others. Senior Executives have no ownership interest in the Company.

3.5.

## Adherence to National or International Codes

The Company is governed by the legal and regulatory framework applicable in Chile and has not adopted corporate governance practices established under any standard or code issued by public or private organizations, either domestic or foreign. Nevertheless, the Company relies on internal professionals and specialized external advisors for identifying and applying best practices in corporate governance.

The Company does not formally adhere to the United Nations Guiding Principles on Business and Human Rights or any other equivalent standards or guidelines. Notwithstanding the foregoing, the Company strictly complies with all labor laws and applicable regulations on labor and human rights in the jurisdictions in which it operates. Furthermore, respect for human rights and compliance with applicable law are of special importance to the Company and are always present in its management and business practices, with a commitment to maintaining a fair and respectful work environment.

3.6.

## Risk Management

The Company has developed a Risk Management methodology. The Board of Directors is regularly informed of risks that are continuously monitored by the Management Business Committee, which is led by the Chief Executive Officer and composed of the Company's top executives at a global level. This Committee meets monthly to review business progress, project development, market intelligence, risks, and other matters. Management reports any significant changes in these areas to the Board Committee and/or the Board of Directors following the monthly meeting, or earlier if warranted by the situation.

The Company has a structured process for identifying, assessing, and prioritizing business risks, which enables it to anticipate and respond to the risks inherent in its operations. Oversight of this process has been delegated by the Board of Directors to the Internal Audit Department. The Company does not follow any specific national or international principles, guidelines, or recommendations. However, it does employ professionals with extensive experience in the implementation and management of comprehensive risk

programs in both domestic and international companies. This ensures the effective identification, evaluation, prioritization, and management of key risks.

This risk assessment process is conducted thoroughly every three years, with annual updates. Each year, depending on the schedule (either a full exercise every three years or an annual update), a Risk Map is prepared. This map analyzes the Company's exposure to various risks and opportunities that could materially impact business performance and financial condition. It assesses their effects on the Company's operations, strategic planning, and financial outlook, as well as the resilience and continuity of the business model in the face of such risks. Based on the Risk Map, mitigation or assurance activities are determined and risk management priorities are defined, providing strategic insight for the Company's annual strategic planning process.

The Risk Map is updated periodically as needed. These updates are led by the Internal Audit Department and must be approved by the Board Committee.

Additionally, the information gathered from the risk identification and prioritization process serves as a key input, though not the only one, for the preparation of the Annual Internal Audit Plan by the Internal Audit Department.

As part of the implementation of the Company's Sustainability Strategy, efforts are also underway to identify, categorize, and manage issues specifically related to environmental, social, and governance (ESG) risks. From a sustainable development standpoint, this is particularly relevant in the context of climate change. The initiative is led by the Sustainability Department in coordination with the Internal Audit Department, aiming to incorporate additional insights to support a balanced scenario analysis. This includes reviewing projections from global experts in the steel and mining industries.

One of the most significant findings from this process has been the strength of the Company's safety culture and its ability to adapt to increasingly complex and changing environments. This has enabled the Company to anticipate and implement measures that enhance employee protection and address physical risks such as water scarcity. In terms of transitional risks, the Company has identified opportunities within its global operational configuration, allowing it to anticipate or balance regulatory shifts and ensure proper adaptation to regulatory changes.

The Company has a risk identification and prioritization process that is continuously monitored by the Board of Directors through the Board Committee and by Management. This process is applied during the review of the strategic plan and the Company's medium- and long-term planning. Additionally, once a year, Management reviews and updates the strategic risk map, which is then analyzed by the Board Committee

and the Board of Directors. Through this process, the main risks that could impact the achievement of the Company's objectives are identified, assessed, and prioritized to focus on those with the highest exposure. These risks are incorporated into the Company's annual strategic planning process, which includes identifying mitigation actions for the most relevant risks in the short, medium, and long term. The Internal Audit Department leads this process, which is further enriched by input from the Company's senior executives and their teams. As such, risk management, oversight, and communication follow a process that involves various organizational levels and decision makers, without the need, thus far, for a dedicated risk management unit.

The Company has an Internal Audit Department that reports to the Board Committee, which in turn reports to the Board of Directors, to support the management of specific risks that have been identified and to verify the effectiveness and compliance of the policies, procedures, and controls in place. The aforementioned Risk Map serves as a key input in developing the Master Audit Plan, which identifies the main business processes and the frequency with which they must be audited within a rotating three-year cycle.

The Company has an Information Security Committee that meets regularly and is led by a subject matter expert. The CEO participates directly in this committee.

The Company also has a "Business Conduct Standard" that defines the principles and guidelines that must govern employee behavior.

Furthermore, the Company has implemented a Crime Prevention Model that helps manage and monitor processes and behaviors that could be exposed to crimes specified under Law No. 20.393 and its subsequent amendments. This law establishes certain categories of crimes and the criminal liability of legal entities. Employees receive annual training on these topics, and the Company promotes the use of its Whistleblower Channel, which guarantees confidentiality and anonymity and is available to both employees and third parties. Other channels for reporting concerns are also encouraged.

The Company has a talent development and succession plan in place to ensure effective management and promotion of personnel, as well as the succession of key executive roles, helping to mitigate the risks associated with potential talent attrition. In addition, the Board Committee reviews the compensation structure and policies for the CEO and other senior executives during one or more sessions and reports its analysis and conclusions to the Board of Directors at the next meeting.

There is no procedure requiring shareholder approval of salary structures or compensation and severance policies for the CEO and other senior executives, nor are these figures disclosed individually to the general public.

It is worth highlighting that, in 2024, Law No. 21,595 on Economic and Environmental Crimes came into effect. This law systematizes economic crimes and environmental offenses, with an exhaustive and extensive typification of crimes against the socioeconomic order, and adjusts the applicable penalties. The Company has undertaken a review to identify new applicable offenses and risks that could have a significant impact, as well as an evaluation of the processes and controls in which these risks may arise, in order to adapt its Crime Prevention Model accordingly. As part of this process, several actions have been identified to strengthen or establish specific controls, with implementation plans currently being carried out by Management. Additionally, Management has conducted training on the matter and plans to continue strengthening these areas as the evaluation and control improvement process advances.

Below are some key elements of the risk matrix identified by Management at the operational, strategic, and sustainability levels:

## A) INTEREST RATE RISK

As of December 31, 2024, total liabilities to banks and the public amounted to CLP 501,918 million (CLP 563,730 million as of December 31, 2023), representing 31.02% of the Company's total assets (36.71% as of December 31, 2023). Liabilities to the public totaled CLP 163,548 million (CLP 168,855 million as of December 31, 2023), consisting of bearer bond issuances by Elecmetal, Viña Santa Rita, and Cristalerías de Chile, all denominated in UF with fixed interest rates. Bank loans totaled CLP 338,370 million (CLP 394,875 million as of December 31, 2023), mainly consisting of fixed-rate loans in Chilean pesos. As such, the interest rate risk lies in the potential difference in rates at the time of loan renewal. Some other loans are subject to periodic interest rate adjustments.

## B) POLITICAL, ECONOMIC, AND SOCIAL CONDITIONS, AND REGULATORY CHANGES IN CHILE

A significant portion of the Company's and its subsidiaries' revenue is tied to the domestic Chilean market. The spending levels and financial health of clients in the various business units are sensitive to the overall performance of Chile's economy. Accordingly, prevailing economic conditions in Chile will affect the operating results of the Company and its subsidiaries. Furthermore, the financial condition and operational results of the Company and its affiliates may also be affected by changes in economic or public policy enacted by the Chilean government, or by political, economic, social, health related, or environmental events impacting the country or its institutions, as well as regulatory, tax, or administrative changes, all of which are beyond the Company's control.

## C) ENERGY COSTS

Energy costs significantly impact the Company's and some subsidiaries' results. Steel smelting and glass container production are heavily dependent on energy sources, including electricity and fossil fuels (natural gas and oil), which are essential in both the steel smelting and glass molding processes.

## D) COPPER, MINERAL, AND OTHER COMMODITY PRICES

The metallurgical business is closely tied to the copper, gold, and iron mining sectors. These commodities have historically been subject to cyclical price movements. In recent years, copper prices have shown a sustained upward trend due to increased demand and strong long-term fundamentals related to electromobility, renewable energy, decarbonization commitments, and new technologies. Meanwhile, global supply has lagged due to falling ore grades, production constraints, and more stringent regulatory, environmental, and social requirements affecting new mining project development in several countries. Despite the recent price increases for copper and gold, driven by the aforementioned factors, high volatility and uncertainty remain due to slow growth in major world economies, persistent inflation, elevated interest rates maintained by central banks, and the ongoing geopolitical conflicts, including Russia-Ukraine, Israel-Hamas, and others.

## E) FOREIGN CURRENCY EXCHANGE RATES AND FLUCTUATIONS

The Chilean peso–U.S. dollar exchange rate has seen significant fluctuations, which can affect the Company's and its subsidiaries' operating results. The holding company and key subsidiaries in the metallurgical business derive most of their revenue from international markets, with sales predominantly denominated in U.S. dollars. In the case of imported metallurgical products sold domestically, exchange rate variations may impact operational results due to differences in the exchange rate (favorable in the event of peso depreciation, unfavorable otherwise) between the time of import and the time of customer billing. This is especially relevant in the grinding media business, where products are manufactured at the Company's plant in China. Additionally, approximately 50% of the wine business's sales are exports, primarily denominated in U.S. dollars and euros.

Exchange rate fluctuations among foreign currencies in the countries where the Company and its subsidiaries operate may cause temporary changes in relative pricing, potentially leading to new competitive pressures that could affect sales levels and/or operating margins.

Some subsidiaries also hold assets and/or liabilities in foreign currencies, so fluctuations in those currencies may result in

exchange gains or losses. The Company and its subsidiaries have a financial hedging policy, which in some cases includes forward purchase and/or sale contracts to hedge against currency risk.

The Company treats indirect investments in Argentina (Rayén Curá and Viña Doña Paula, through Cristalerías de Chile S.A. and S.A. Viña Santa Rita, respectively), the United States, China, Peru, and South Africa (ME Global, ME Elecmetal China, ME Funvesa, and ME Elecmetal Prima, respectively, through Inversiones Elecmetal Ltda.) as permanent investments. As a result, foreign currency translation effects related to these investments are recorded in the Equity Conversion Reserve.

## F) COMPETITIVE RISK

In the metallurgical business, consolidation among global mining companies and the centralization of their purchasing decisions could incentivize increased competition. Elecmetal's strategy in response has been to offer integral, value-added solutions for mining operations, focusing on reducing clients' effective costs through continuous product and service improvements, new designs, technology integration, digital solutions, and on-site support.

In the glass packaging industry, competition exists from substitute products such as plastic containers, tetra-packs, aluminum cans, steel cans, and bag-in-box formats. It also faces competition from local and imported glass container producers. Notably, Cristalerías de Chile maintains a leadership position across its segments and benefits from the advantages glass offers over alternative materials.

In the wine business, both domestic and international markets are highly competitive due to a large number of participants and the effects of globalization.

## G) PROTECTIONISM RISK

There is a growing trend toward protectionist policies in many countries, particularly concerning products originating from China. This presents significant challenges for the Company's metallurgical business. Since Chile liberalized its economy in 1975, Elecmetal has made substantial investments in Chile, China, the United States, Peru, South Africa, and Zambia, seeking to remain at the forefront of technology in order to deliver high-quality, environmentally responsible products at competitive prices. These efforts help global mining companies remain sustainable and competitive. As part of this development, following the 2006 Free Trade Agreement between Chile and China—now Chile's main trading partner—two manufacturing plants were built in China: one, fully owned by Elecmetal, produces steel spare parts; the other, a 50/50

joint venture with a private Chinese partner, produces high quality grinding balls sold by ME Elecmetal worldwide. An increase in trade protectionism or a global escalation of such measures could adversely affect the competitiveness of the products Elecmetal imports from China and would further contribute to global economic uncertainty and volatility.

In this regard, in July 2018, the U.S. government imposed tariffs, primarily targeting Chinese imports, on a list of products that includes crusher spare parts imported by ME Global from China, designed and manufactured to meet U.S. client specifications. This list was later expanded to include steel grinding balls also imported from ME Elecmetal's plant in China. These measures remain in effect and have significantly hindered the Company's competitiveness in the U.S. market for those product lines. Bilateral relations between the U.S. and China have further deteriorated due to differing stances on Russia's invasion of Ukraine, their positions on Taiwan, competing geopolitical alliances, U.S. restrictions on China's access to cutting-edge technology, and recent announcements of additional tariffs by the U.S. government.

Trade tensions have also emerged between Australia and China, leading to tariffs and restrictions on various goods. Moly-Cop, a major competitor in the grinding media business, previously filed anti-dumping complaints in Australia against Chinese grinding ball manufacturers. As a result, Australia maintained differentiated anti-dumping duties on several Chinese producers, including a 2.1% tariff on ME Elecmetal's products. However, in April 2023, the Australian Anti-Dumping Commission permanently and retroactively (to September 2021) eliminated those measures.

In Chile, there have also been recent initiatives aimed at introducing protectionist measures. Two anti-dumping investigations related to the metallurgical business were launched at the end of 2023 and concluded in September 2024 with no protective measures enacted, as detailed below:

In December 2023, Chile's National Commission for the Investigation of Distortions in the Price of Imported Goods (the Commission) initiated: i) an ex officio investigation into potential dumping in the import prices of steel bars used to manufacture conventional grinding balls under 4 inches in diameter; and ii) an investigation into potential dumping in the import prices of conventional grinding balls under 4 inches in diameter, based on a complaint filed by Moly-Cop.

Following months of investigation, in September 2024, the Commission definitively concluded both cases without recommending any protective measures.

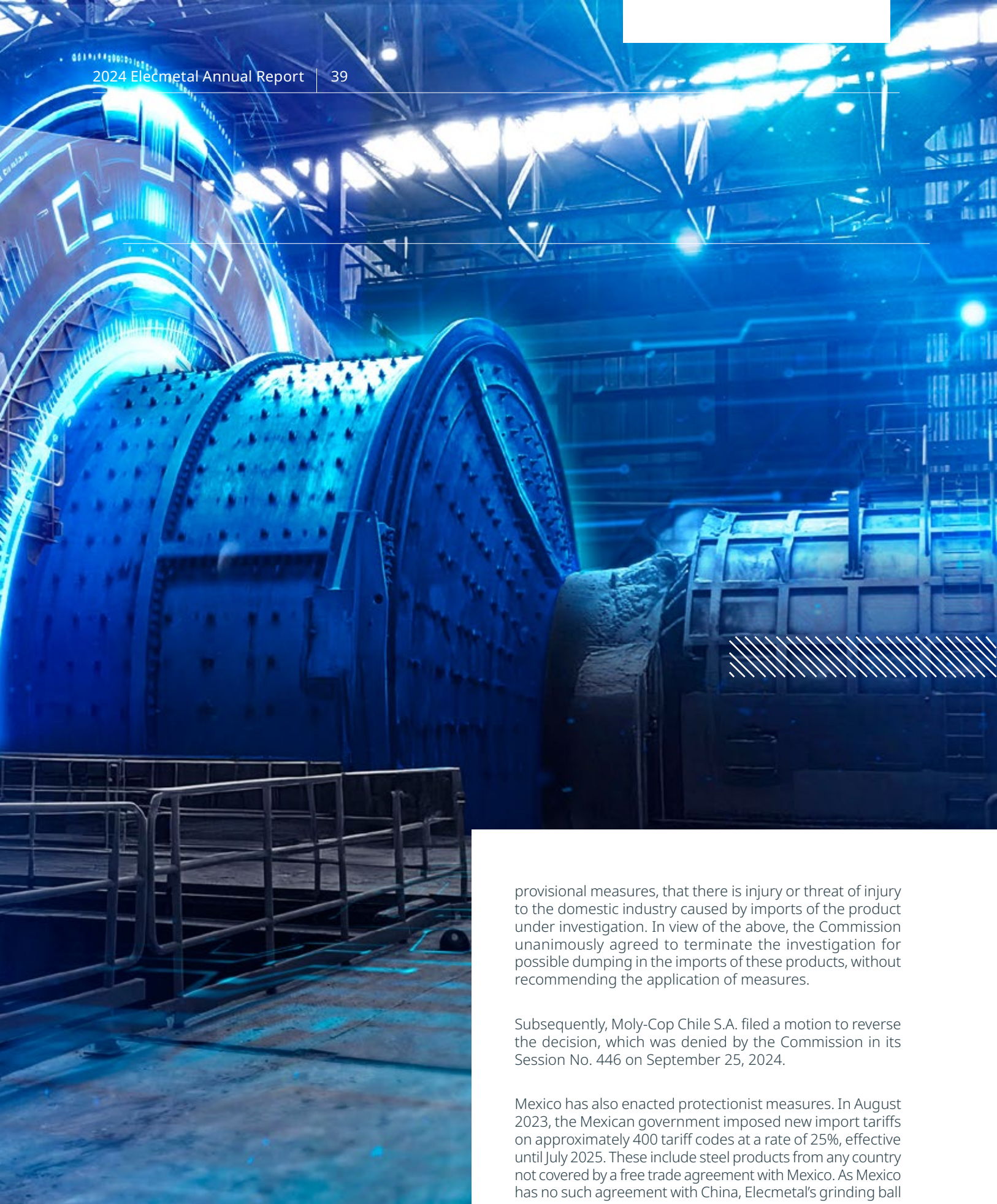
Specifically: (i) On September 3, 2024, the Commission announced the early termination of the investigation into steel



bar imports from China used for grinding ball production, citing a notice from Compañía Siderúrgica Huachipato S.A. that it would "indefinitely suspend its steelmaking operations by September." In light of this, the Commission unanimously agreed to end the investigation without imposing measures.

Additionally, (ii) on September 9, 2024, the decision of the Commission was communicated to terminate in advance the investigation for possible dumping in the import prices of forged steel grinding balls, with a diameter of less than 4 inches, originating from the People's Republic of China. The Commission informed the interested parties that it had before it the information submitted throughout this investigation by all interested parties and that based on the above, by unanimous vote of its members, it has considered that the information contained in this investigation does not allow it to determine in this instance, which requires a higher standard of proof than that required to recommend the application of





provisional measures, that there is injury or threat of injury to the domestic industry caused by imports of the product under investigation. In view of the above, the Commission unanimously agreed to terminate the investigation for possible dumping in the imports of these products, without recommending the application of measures.

Subsequently, Moly-Cop Chile S.A. filed a motion to reverse the decision, which was denied by the Commission in its Session No. 446 on September 25, 2024.

Mexico has also enacted protectionist measures. In August 2023, the Mexican government imposed new import tariffs on approximately 400 tariff codes at a rate of 25%, effective until July 2025. These include steel products from any country not covered by a free trade agreement with Mexico. As Mexico has no such agreement with China, Elecmetal's grinding ball

imports into Mexico are subject to this tariff. In April 2024, the rate was increased to 35%. In March 2024, Mexico also imposed anti-dumping duties on Chinese grinding balls following a dumping investigation initiated in September 2022 at Moly-Cop's request. These measures significantly impact Elecmetal's ability to supply the Mexican market. The Company is appealing this decision, citing actual customer prices and production costs as evidence that no dumping occurred.

In the glass packaging business, a U.S. anti-dumping investigation was launched in December 2023 targeting glass container exports. The Glass Packaging Coalition (GPC) filed a petition with the U.S. Department of Commerce seeking anti-dumping duties on wine bottles imported from China, Mexico, and Chile. After an extensive investigation, in December 2024 the GPC withdrew its complaint against Chilean glass producers.

The U.S. government has announced a series of protectionist measures in support of domestic production, including 25% tariffs on all imported steel and aluminum, general tariffs on Canadian and Mexican imports (25%), an additional 10% on Chinese imports, and forthcoming tariffs on other countries based on trade balances and reciprocal tariff policies. Some measures were temporarily delayed to allow for bilateral negotiations and most have not yet been fully detailed. While it is still too early to quantify the full impact of potential future tariffs on the Company's sales and results, it is likely that sales of certain imported products for the U.S. market could be affected. If other countries implement similar measures in retaliation, the Company's operations could also be impacted. Elecmetal's industrial presence in Chile, the U.S., China, Peru, South Africa, and Zambia—as well as its diversified supplier base—may help partially offset these adverse effects. Nonetheless, a global surge in protectionism could hamper international trade, slow global economic growth, and lower commodity prices, negatively affecting demand for the Company's products and services, which could have an adverse effect on the company's sales and result

## H) ENVIRONMENTAL REGULATIONS

In every country where it operates, the Company is subject to numerous environmental laws, regulations, decrees, and municipal ordinances covering, among other matters, health, the handling and disposal of solid and hazardous waste, air and water discharges, and noise emissions—all of which are becoming increasingly stringent. As part of its sustainability strategy, environmental protection remains a constant concern for the Company. Accordingly, it makes the necessary investments to ensure compliance with current and future regulations established by the relevant authorities. Nonetheless, the growing environmental requirements applicable to the Company's and its subsidiaries' production plants and products represent an ongoing challenge.

## I) RISKS RELATED TO PRODUCTION, MARKETING, AND LOGISTICS IN THE WINE BUSINESS

Wine production depends heavily on the quantity and quality of the grape harvest. As an agricultural activity, it is exposed to climatic risks (such as droughts, unseasonal rainfall, and frosts) and pest infestations. A smaller-than-expected harvest could result in higher direct costs due to reduced yield per hectare. Viña Santa Rita manages its agricultural assets under strict quality standards, which include pest-resistant vineyards, deep wells and water rights ensuring sufficient irrigation, and frost and hail control systems covering a significant portion of its vineyards to reduce dependence on adverse weather and plant health factors. In addition, the winery maintains contingency plans and trained emergency teams to respond to disasters.

## J) CYBERSECURITY RISK

Cyberattacks on corporate information systems and technologies are a growing risk faced by companies worldwide. The Company continuously evaluates these risks and has implemented various modern cybersecurity tools, comprehensive protection and monitoring systems, and awareness and training programs for users. It also employs in-house specialists and has engaged external experts in cybersecurity. Despite these efforts, the risk continues to grow every day.

## K) INFLATION RISK

Inflation has been impacting most global economies and, in some cases, such as Chile and the United States, has reached historically high levels. The duration of this inflationary period remains uncertain, although inflation rates have gradually begun to decline. The primary consequences are seen in the Company's and its subsidiaries' costs and expenses, which are passed through to sale prices depending on the specifics of each business, market, and commercial model. This process can result in timing delays that impact operating margins.

The indirect subsidiaries Rayen Curá S.A.I.C., Doña Paula S.A., and Sur Andino S.A. are based in Mendoza, Argentina, and their functional currency is the Argentine peso. Since July 2018, Argentina's economy has been classified as hyperinflationary by the IASB, requiring these subsidiaries to maintain inflation-adjusted accounting records.

Monetary policy measures aimed at curbing inflation affect market interest rates, and thus increase the financial cost of debt held by the Company and its subsidiaries.

## L) CLIMATE CHANGE RISK IN THE METALLURGICAL BUSINESS

Global warming is having an impact on a wide range of industries and business activities. Today, there is greater global awareness of its potential consequences, prompting actions and agreements aimed at reversing the trend and mitigating its adverse effects.

The mining industry—ME Elecmetal's main market—is not immune to climate change. Droughts, water shortages, extreme rainfall, flash floods, and runoff, among other climate-related phenomena, can damage infrastructure and disrupt operations, affecting both production continuity and worker safety at mining sites.

This, in turn, may influence demand for the Company's products and services. In Chile, drought conditions have worsened in recent years, making water supply for mining operations a critical concern, even leading to temporary shutdowns or reduced processing rates at some sites. In response, mining companies are increasingly focused on maximizing water use efficiency and developing desalination plant projects. Although some mining operations have already been affected by these risks, large-scale mining generally operates under sustainability standards or policies that incorporate climate change considerations. These typically include mitigation and adaptation measures aligned with decarbonization strategies, efficient use of water and energy resources, waste management, and the pursuit of operational excellence and continuity.

## M) GEOPOLITICAL CONFLICT RISK

Russia's invasion of Ukraine and the conflict between Israel and Hamas, further intensified by tensions between Israel and Iran, are impacting various aspects of global trade and economic activity. These developments have significantly affected the prices of key commodities and raw materials and have further strained global supply chains. They have also contributed to exchange rate volatility, fluctuations in market asset valuations, and price increases for key products like natural gas and oil. The specific impact on Elecmetal and its subsidiaries will depend on the scope and evolution of these conflicts, which remain uncertain.

## N) RISK OF DETERIORATING PUBLIC SAFETY AND SECURITY CONDITIONS

Public safety and security conditions in Chile have deteriorated in recent times, creating an environment that facilitates crimes threatening the safety of employees and the protection of Company assets. This deterioration could negatively affect the Company's operating results.

## O) RISKS RELATED TO ANTITRUST AND COMPETITION LAW

The Company faces risks associated with competition law, including potential allegations of anti-competitive practices, abuse of dominant position, antitrust litigation, and dumping accusations in both existing and potential markets. These risks are incorporated into the Company's risk matrix and are a clear management priority, with various preventive and control measures in place.

First, the Company has appointed a Compliance Officer—designated by the Board of Directors—who continuously oversees activities related to compliance with antitrust regulations. This includes monitoring specific risk areas and supervising business practices within this scope.

Second, the Company maintains an internal Competition Law Manual outlining policies, guidelines, and procedures to ensure full legal compliance. This manual is regularly updated to reflect regulatory changes. In addition, internal controls are implemented to continuously assess and monitor the Company's commercial practices, ensuring the early detection of potential risks or non-compliance with competition laws. These assessments are part of an ongoing process to guarantee that all operations comply with applicable legal standards.

The Company also conducts regular training sessions for employees to promote awareness and ensure that they understand and apply antitrust regulations in their daily work. These training programs are essential for fostering a corporate culture of compliance and for preventing actions that may violate existing laws and regulations.

These measures ensure proper risk management in this area, reinforcing the Company's strong commitment to legal compliance and business ethics.

## **P) CONSUMER HEALTH AND SAFETY RISK**

As the Company does not engage in sales or transactions with end consumers but rather serves institutional clients, there are no material risks related to consumer health and safety.





### 3.7

## Relationship with our Stakeholders and the General Public

The Company has identified its key stakeholders and incorporates interaction with them, as well as their interests and concerns, into the definition of its strategies and policies.

Through its sustainability strategy—and specifically through the pillars “Our People” and “Value Creation Connections”—ME Elecmetal has structured engagement with both internal and external stakeholders. These include employees, actors across the supply chain (such as suppliers and other third parties), customers, and communities located near production plants at global, regional, and local levels.

The People Management departments, organized regionally, are responsible for human resources functions, with a primary focus on health and safety, diversity and inclusion, and talent development. At each plant, these teams also handle relations with neighbors and local authorities in the immediate areas of influence. For supply chain matters, the Company has dedicated teams tailored to each operation’s requirements. As for customer engagement, the commercial division is responsible, operating under the strategic approach of “ME FIT” (Fully Integrated Technology) and delivering value through the “VAES” (Value Added Engineering Services) philosophy.

The Company also maintains multiple channels for communication with investors, the media, and the general public via its website. Specifically, investors can access public information at <https://www.me-elecmetal.com/inversionistas/>, supported by a communications agency providing media and consulting services. The whistleblower channel is available 24/7 for all stakeholders.

The CEO is responsible for contact with authorities and the media, while the Corporate Administration and Finance Division manages communication with other third parties. This division also leads process improvements for the preparation and dissemination of market disclosures. As new needs arise, it or the designated department addresses and resolves them. Currently, there is no formal continuous improvement

procedure for enhancing the accessibility and timeliness of the Company’s market disclosures, nor are external experts consulted on this matter. However, efforts are underway to implement such a procedure.

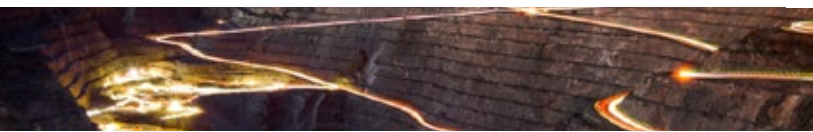
The Company complies with all applicable regulations to ensure that shareholders are properly informed in advance of the Annual Shareholders’ Meeting, particularly regarding director elections or other agenda items. The Board of Directors has established a procedure to inform shareholders, prior to the Board of Directors elections, about the diversity of skills, qualifications, experience, and perspectives it considers important for Board members. This includes publishing the resumes of director candidates on the Company website, detailing their credentials and experience. However, no formal mechanism exists to assist shareholders in the search and selection of board candidates. Although the Company actively promotes non-discrimination, the Board believes that it is in the Company’s best interest not to establish a fixed gender quota for Board representation. Instead, shareholders are encouraged to consider diversity in skills and experience when nominating candidates, prioritizing professional qualifications and alignment with the profile that best suits the Company’s purpose.

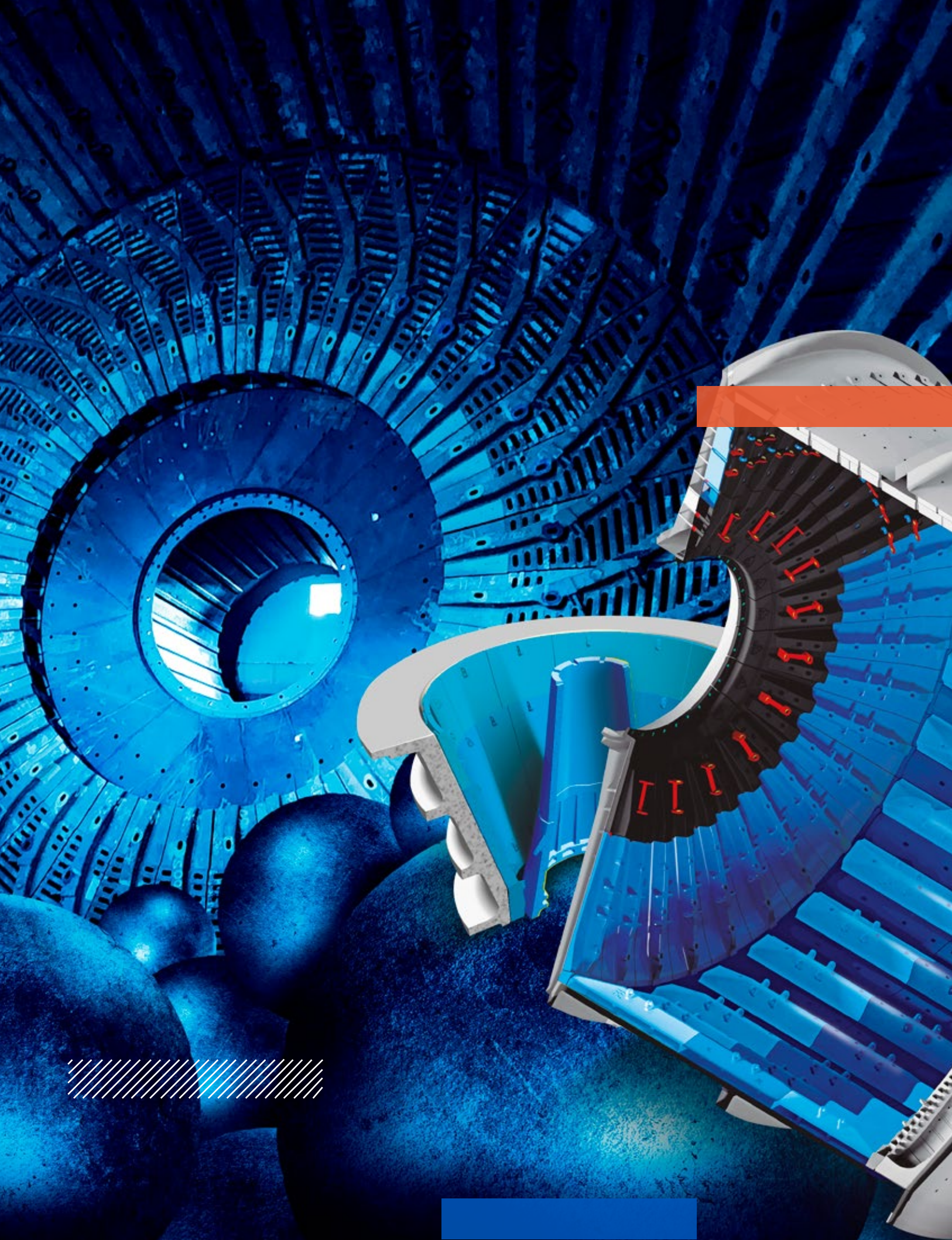
Currently, the Company does not have a system that allows shareholders to participate and vote remotely at the same time as those physically present at the meeting. Nor is there a real-time communication channel to inform the public of resolutions passed during these meetings.



# 04

## Strategy





## 4.1

## Time Horizons

The Company defines the short term as one year, the medium term as five years, and the long term as ten years or more. These latter two horizons are considered the key timeframes for guiding the Corporate Strategy of the Company, in line with its Mission and Vision, as an organization with over 100 years of history.

## 4.2

## Strategic Objectives

The companies that make up the Elecmetal Group aim for profitable growth and development, focusing on strengthening core businesses and continuously seeking and analyzing new opportunities. These efforts are designed to deliver results over the medium and long term across environmental, social, and economic dimensions, within a robust corporate governance framework that ensures sustainability. Management across Elecmetal Group companies is centered on people, with a strong emphasis on respect and the promotion of human dignity.

The Group companies acknowledge the challenges and opportunities presented by sustainability and address them from the perspective of their respective industries and stakeholders. Each company has developed a sustainability strategy as part of its broader Corporate Strategy, defining strategic pillars, commitments, and initiatives to address environmental, social, and governance (ESG) challenges. The goal is to contribute to holistic human development and well-being while creating value for all stakeholders in the countries and regions where they operate.

At least quarterly, and in conjunction with financial statement analysis, management reports, and risk assessments, the Board of Directors is briefed on significant issues related to social, climate, and environmental matters. These topics are also discussed during the annual planning process, considering both short and long-term implications. The Company has a dedicated Sustainability Department that leads and coordinates social responsibility, environmental, and sustainable development activities, although responsibility for these matters is distributed across all departments.

While Elecmetal S.A. currently does not have a formally defined human rights strategy, it fully complies with applicable labor and social regulations in all its global operations. Furthermore, its Corporate Strategy outlines core corporate values that all employees are expected to uphold. Chief among these is respect for human dignity, which underpins other core values such as

holistic human development, focus on internal and external customers, integrity and accountability, and a commitment to sustainability.

In the metallurgical business, ME Elecmetal continued to advance its Sustainability Strategy in 2024, including the formal articulation of its purpose: to be recognized as a “Partner for Sustainable Mining.” Through this commitment, the Company seeks to position itself as a key partner to its clients, delivering tangible contributions toward achieving their sustainability goals.

In March 2024, the Company officially launched the implementation of its Sustainability Strategy through the 2024–2025 Sustainability Management Cycle. It established governance for this initiative by creating a Global Sustainability Committee, composed of the Company’s top executives from South America, North America, and China, as well as representatives from the Grinding Media business line, the Corporate Administration and Finance Division, and the Global Marketing Department. This team, coordinated by the Sustainability Department, meets quarterly, and its key initiatives are executed through dedicated working groups.

## STRATEGIC PILLARS AND ORGANIZATIONAL POSITIONING



ME Elecmetal's Sustainability Strategy is built on four core pillars: the ME Elecmetal Signature, Our People, the Environment, and Value Creation Connections. Each pillar is defined by specific commitments, objectives, initiatives, and management approaches aligned with the applicable Sustainable Development Goals (SDGs).

### ME ELECMETAL SIGNATURE:

Our Values guide both our decision-making processes and how we engage with each of our stakeholders. **Respect** for human dignity, proactive pursuit of **excellence, responsibility, and integrity** are at the heart of our identity. We promote a high-level work culture based on loyalty and commitment. We foster long-term, value-generating relationships that are meaningful to both our teams and our clients. We adhere strictly to all applicable regulations and regularly report on our performance, fostering transparency and trustworthiness..

### OUR PEOPLE: :

**Respect for human dignity** is the central tenet of our Values. It inspires our work and allows us to achieve a balance between results and the way they are obtained, **ensuring comprehensive human development**, customer focus, accountability, sustainability, and continuous pursuit of excellence. We promote long-term **relationships of trust with all our employees**, encouraging pride in being part of ME Elecmetal. We are deeply committed to a **zero-harm** work environment, **enhancing diversity and inclusion**, and fostering the development and full potential of our **talent**.

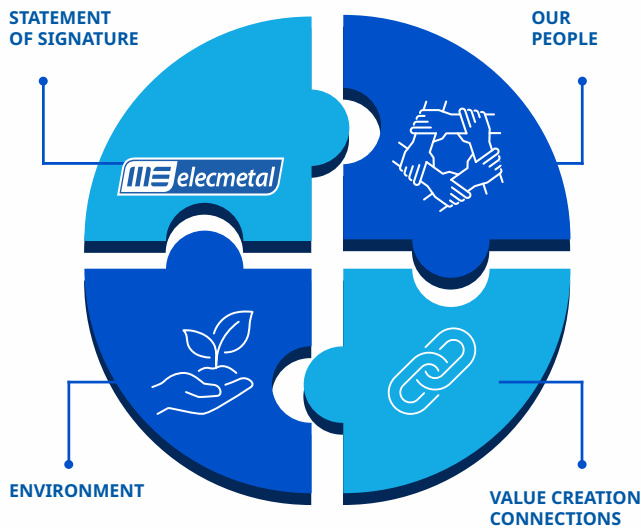
### ENVIRONMENT: :

Conservation, protection, and restoration of the environment are **global challenges** that we address in every solution we deliver to our clients. We are committed to being an active agent in the **efficient use of resources and natural capital**, promoting **carbon neutrality and a circular economy** within the industry. We continuously innovate and redesign processes and solutions with sustainability in mind.

### VALUE CREATION CONNECTIONS:

We believe in **collaborative work** to drive innovation and excellence by **engaging employees, clients, suppliers, partners, and other stakeholders in the co-creation of sustainable value**. At ME Elecmetal, we strive to be a catalyst for change, constantly building **new partnerships** to advance the sustainable development of the mining industry.





Through this Sustainability Strategy, ME Elecmetal seeks to be recognized as a Partner for Sustainable Mining.

The Company has an internal innovation and development unit, in addition to partnerships with third parties for analyzing, developing, and implementing solutions identified in the evolving dynamics of the business alongside clients. As part of this effort, ME Elecmetal has established a process for identifying and managing innovative opportunities and ideas.

This process aims to promote collaboration toward a more sustainable mining industry, critical to the energy transition and decarbonization, by committing to ongoing development and advancing in stages to effectively meet the expectations of a mining sector aligned with global challenges.

At ME Elecmetal, we are committed to sustainability and recognize the importance of contributing to the progress of the Sustainable Development Goals (SDGs). We understand that social and environmental responsibility is essential to long-term success and business viability. We actively seek positive societal synergies that generate value for our stakeholders. Although the Company does not currently have specific policies targeting direct positive impacts on human rights, indigenous rights, or cultural heritage preservation—as noted in section 4.2 a)—it has defined corporate values that must be consistently upheld. These include the Company's full compliance with all obligations in these areas. Furthermore, through its Sustainability Strategy and the oversight of the Sustainability Committee, ME Elecmetal continuously works to advance the four strategic pillars: the ME Elecmetal Signature, Our People, the Environment, and Value Creation Connections. These pillars reflect the Company's core values and incorporate stakeholder perspectives to ensure alignment with global, regional, and local expectations in sustainability matters.





### 4.3

## Investment Plans

### METALLURGICAL BUSINESS

ME Elecmetal has implemented a significant investment plan to consolidate its leadership and meet global demand from the mining sector.

The time horizons for projects, depending on asset lifespan or infrastructure relevance, are categorized as follows:

- Short term: Projects with a timeline of less than one year
- Medium term: Initiatives ranging from one to five years
- Long term: Projects lasting five years or more

### WEAR PARTS

ME Elecmetal operates its own foundries for special steel wear parts in Chile, China, the United States, Peru, and South Africa. These facilities operate under the highest standards of industrial safety, quality, productivity, and sustainability, with a combined annual production capacity exceeding 150,000 tons. The Company allocates approximately USD 20 million annually in capital expenditures for plant maintenance and modernization, and also carries out long-term investment projects to support business growth. These investments are aimed at realizing the Company's vision of becoming a globally competitive supplier known for excellence and leadership in delivering sustainable, integral solutions that add value to mining processes and other target markets.

In addition, subsidiary Esco Elecmetal Fundición Limitada, a 50/50 joint venture with Weir ESCO, inaugurated a state-of-the-art steel foundry in 2012 to supply earthmoving wear parts. Products are manufactured in Chile and sold exclusively to both local and international markets.

Subsidiary ME Elecmetal (China) Co., Ltd. completed construction in 2014 of a modern special steel foundry in Changzhou, Jiangsu Province, China, with an annual capacity of 30,000 tons of grinding

equipment wear parts. In 2023, studies were conducted, and the necessary regulatory approvals were obtained to expand the plant's production capacity to 42,000 tons annually—a project currently under development.

In Chile, the Company completed a plant modernization project in 2016 for its special steel spare parts facility in Rancagua, designed to serve major mining clients across South America. This facility, with a 36,000-ton annual production capacity, leverages ME Elecmetal's global expertise and incorporates advanced manufacturing processes and equipment tailored to the industry's needs. This initiative is part of a long-term strategic plan to restructure metallurgical operations in Chile, which included closing the Santiago plant and transferring its production capacity to the upgraded Rancagua facility.

As part of its continued international expansion, in early 2024, ME Elecmetal acquired an 80% stake in Fundición Ventanilla S.A. (Funvesa), a steel foundry located in Lima, Peru. This acquisition expands and complements the Company's production capacity in South America, reinforcing its presence and commitment to the Peruvian mining sector. It builds on over a decade of successful commercial operations in the country.

Later, in September 2024, the Company acquired a 95% interest in PRIMCO Investments Proprietary Limited (Primco), the holding company of a group of entities that includes a steel casting foundry in Johannesburg, South Africa, with an approximate annual capacity of 15,000 tons. This facility is intended to strengthen the Company's presence in the African continent and improve access to other global markets.

## GRINDING MEDIA

In 2011, ME Elecmetal and Longteng Special Steel Co., Ltd.—a major privately owned Chinese steel company—formed a 50/50 joint venture in China named ME Long Teng Grinding Media (Changshu) Co., Ltd. The partnership began construction of a state-of-the-art modular manufacturing plant for grinding balls and rods in the city of Changshu, China. The products manufactured at this facility are marketed and sold globally by ME Elecmetal. In 2018, the plant's fifth phase was completed, bringing its total annual production capacity to 500,000 tons, making it the largest grinding media plant in the world.

In 2016, ME Elecmetal and Longteng Special Steel Co., Ltd. also established ME Long Teng Grinding Media (Zambia) Limited in Lusaka, Zambia. This subsidiary completed construction in 2018 of a modern grinding ball manufacturing facility with an annual capacity of 95,000 tons, located in Kalumbila—a key mining region—designed to serve mining clients throughout Africa.

As part of its ongoing commitment to sustainability through innovation and technology, in 2023 ME Elecmetal's strategic partner, Longteng Special Steel Co., Ltd. in Changshu, adopted a groundbreaking electric arc furnace (EAF) technology that uses

recycled materials as raw input for the production of the high quality special steel bars used to manufacture ME Elecmetal's grinding balls. This transformation involved an investment of approximately USD 200 million in a new steelmaking facility.

In early 2024, ME Elecmetal launched the first high-quality, low-carbon grinding ball in Chile. The use of this product enables a 50% reduction in the carbon footprint associated with the production, transport, and on-site delivery of this essential mining input, when compared with grinding balls manufactured from steel bars produced in traditional blast furnaces. This launch marks a significant milestone in ME Elecmetal's commitment to delivering integral, high-performance solutions that add value to its clients' production processes.

ME Elecmetal is continuously searching for more sustainable product alternatives in order to contribute to the environmental commitments of other economic sectors. This product launch represents a major technological advance aligned with environmental preservation and the sustainability goals of the mining industry—a critical sector for national development—and is part of ME Elecmetal's broader purpose of being recognized as a partner for sustainable mining.

This initiative also comes at a time of upward projections for global copper demand through 2050, driven by growth in electromobility and renewable energy. These trends present clear challenges to the mining industry in terms of greenhouse gas (GHG) emissions, with grinding media being one of the most relevant contributors to Scope 3 emissions in mining.

With this product launch, ME Elecmetal reaffirms its leadership in the industry, combining production excellence with a proactive approach to environmental sustainability.

Finally, in 2024, the Company continued advancing the initial stages of a new project to build another grinding ball manufacturing plant in Indonesia, once again in a 50/50 partnership with Longteng Special Steel Co., Ltd. This plant will serve both the domestic and export markets. Construction is scheduled to begin in the first quarter of 2025.







05

People





*The Company is distinguished by its commitment to the well-being of its employees and their families, promoting a work environment based on respect, excellence, and dignity. Elecmetal fosters communication, holistic development, health and safety, and an inclusive organizational culture, strengthening trust and collaboration.*

The People Management area focuses on attracting, developing, and retaining talent, aligning its management with corporate values and labor market trends. It also ensures regulatory compliance and the proper administration of collective bargaining agreements, prioritizing transparent and harmonious labor relations, and continuous improvement and innovation in working conditions.

ME Elecmetal's metallurgical business has a workforce of 1,966 people, distributed across key countries such as Chile, China, the United States, Australia, Brazil, Canada, Mongolia, Mexico, Panama, Peru, and South Africa.

Under a value framework based on respect for human dignity, the Company promotes human development, customer orientation, responsibility, integrity, and a commitment to sustainability. It prioritizes the creation of environments where employees can fully express their potential, creativity, and initiative, promoting their personal and professional growth, occupational safety, and the improvement of their quality of life and that of their families.

## 5.1

# Staffing

Below is the information regarding the workforce of the metallurgical business in accordance with applicable regulations.

### 5.1.1

## NUMBER OF PEOPLE BY SEX

By Gender	Male	Female	Total
SENIOR MANAGEMENT	6	0	6
MANAGEMENT	138	13	151
SUPERVISORS	80	15	95
OPERATORS	799	5	804
SALES FORCE	79	9	88
ADMINISTRATIVE	74	73	147
SUPPORT STAFF	137	9	146
OTHER PROFESSIONALS	250	84	334
OTHER TECHNICALS	187	8	195
<b>TOTAL</b>	<b>1.750</b>	<b>216</b>	<b>1.966</b>

### 5.1.2 NUMBER OF PEOPLE BY NATIONALITY

Position	Chile		United States		China		South Africa		Peru		Venezuela		Canada		Australia		Mexico		Mongolia		Panama	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
SENIOR MANAGEMENT	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MANAGEMENT	36	3	74	2	9	3	10	4	2	0	0	0	5	0	1	0	0	0	0	0	0	0
SUPERVISORS	34	5	0	0	24	6	10	1	10	3	1	0	0	0	0	0	0	0	0	0	0	0
OPERATORS	259	3	149	1	180	1	47	0	158	0	5	0	0	0	0	0	0	0	0	0	0	0
SALES FORCE	30	3	12	0	7	1	2	0	8	4	0	1	6	0	6	0	4	0	2	0	0	0
ADMINISTRATIVE	32	40	5	13	0	2	23	6	12	10	1	1	0	0	0	0	0	0	0	0	0	0
SUPPORT STAFF	0	0	4	0	0	0	132	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER PROFESSIONALS	152	35	46	12	7	19	7	3	25	11	7	3	0	0	0	0	1	0	0	1	1	0
OTHER TECHNICALS	90	2	27	1	30	3	11	0	22	0	3	1	2	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>639</b>	<b>91</b>	<b>317</b>	<b>29</b>	<b>257</b>	<b>35</b>	<b>242</b>	<b>23</b>	<b>237</b>	<b>28</b>	<b>17</b>	<b>6</b>	<b>13</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>

Position	Argentina		Cuba		Brasil		Ecuador		Bolivia		Colombia		Francia		Zimbabwe		Malawi		Total			
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F		
SENIOR MANAGEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0
MANAGEMENT	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	138	13
SUPERVISORS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	80	15
OPERATORS	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	799	5
SALES FORCE	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	79	9
ADMINISTRATIVE	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	74	73
SUPPORT STAFF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	137	9
OTHER PROFESSIONALS	2	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	250	84
OTHER TECHNICALS	0	0	0	0	0	0	0	0	1	0	0	1	0	0	1	0	0	0	0	0	187	8
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1.750</b>	<b>216</b>		

### 5.1.3 NUMBER OF PEOPLE BY AGE GROUP

Position	Less than 30		Between 30 and 40		Between 41 and 50		Between 51 and 60		Between 61 and 70		More than 70		Total	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
SENIOR MANAGEMENT	0	0	0	0	0	0	4	0	2	0	0	0	<b>6</b>	<b>0</b>
MANAGEMENT	8	0	33	2	38	6	45	4	11	1	3	0	<b>138</b>	<b>13</b>
SUPERVISORS	2	0	32	8	33	5	11	2	2	0	0	0	<b>80</b>	<b>15</b>
OPERATORS	104	1	304	0	236	4	120	0	35	0	0	0	<b>799</b>	<b>5</b>
SALES FORCE	4	1	34	7	21	1	15	0	5	0	0	0	<b>79</b>	<b>9</b>
ADMINISTRATIVE	7	12	27	30	17	15	20	11	3	4	0	1	<b>74</b>	<b>73</b>
SUPPORT STAFF	18	7	50	2	36	0	30	0	2	0	1	0	<b>137</b>	<b>9</b>
OTHER PROFESSIONALS	47	20	121	38	61	20	16	4	4	2	1	0	<b>250</b>	<b>84</b>
OTHER TECHNICALS	28	2	79	3	39	2	27	1	13	0	1	0	<b>187</b>	<b>8</b>
<b>TOTAL</b>	<b>218</b>	<b>43</b>	<b>680</b>	<b>90</b>	<b>481</b>	<b>53</b>	<b>288</b>	<b>22</b>	<b>77</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>1.750</b>	<b>216</b>

#### 5.1.4 NUMBER OF PEOPLE BY LENGTH OF SERVICE

Position	Less than 3 years		Between 3 and 6 years		Between 6 and 9 years		Between 9 and 12 years		More than 12 years		Total	
	M	F	M	F	M	F	M	F	M	F	M	F
SENIOR MANAGEMENT	0	0	1	0	2	0	0	0	3	0	6	0
MANAGEMENT	35	4	20	2	17	0	25	4	41	3	138	13
SUPERVISORS	12	3	17	4	10	0	19	5	22	3	80	15
OPERATORS	291	1	176	3	93	0	71	1	168	0	799	5
SALES FORCE	29	7	18	2	14	0	10	0	8	0	79	9
ADMINISTRATIVE	14	26	19	15	5	12	14	12	22	8	74	73
SUPPORT STAFF	30	8	23	1	0	0	11	0	73	0	137	9
OTHER PROFESSIONALS	127	40	48	21	32	11	23	7	20	5	250	84
OTHER TECHNICALS	60	4	29	3	19	0	32	1	47	0	187	8
<b>TOTAL</b>	<b>598</b>	<b>93</b>	<b>351</b>	<b>51</b>	<b>192</b>	<b>23</b>	<b>205</b>	<b>30</b>	<b>404</b>	<b>19</b>	<b>1,750</b>	<b>216</b>

### 5.1.5 NUMBER OF PEOPLE WITH DISABILITIES

Position	M	F
SENIOR MANAGEMENT	0	0
MANAGEMENT	0	0
SUPERVISORY	0	0
OPERATORS	1	0
SALES FORCE	0	0
ADMINISTRATIVE	1	4
SUPPORT STAFF	3	2
OTHER PROFESSIONALS	3	0
OTHER TECHNICIANS	2	0
<b>TOTAL</b>	<b>10</b>	<b>6</b>

## 5.2

# Employment Formality

84.5% of ME Elecmetal employees have permanent contracts, while 15.1% work under fixed-term contracts

Contract Type	M		F		Total	
	N°	%	N°	%	N°	%
PERMANENT CONTRACT	1.480	75,3%	181	9,2%	<b>1.661</b>	<b>84,5%</b>
FIXED-TERM CONTRACT	261	13,3%	35	1,8%	<b>296</b>	<b>15,1%</b>
PROJECT-BASED CONTRACT	9	0,5%	0	0%	<b>9</b>	<b>0,5%</b>
FEE-FOR-SERVICE	0	0%	0	0%	<b>0</b>	<b>0%</b>
<b>TOTAL</b>	<b>1.750</b>	<b>89%</b>	<b>216</b>	<b>11%</b>	<b>1.966</b>	<b>100%</b>

## 5.3

## Work Adaptability

At ME Elecmetal, employees primarily work under regular and part-time schedules, representing 94% and 6% of the total workforce, respectively. Of these, 3.15% work entirely remotely.

Work Schedule	M		F		Total	
	N°	%	N°	%	N°	%
REGULAR WORKDAY	1.652	84,03%	196	9,97%	<b>1.848</b>	<b>94%</b>
PART-TIME WORKDAY	98	4,98%	20	1,02%	<b>118</b>	<b>6%</b>
<b>TOTAL</b>	<b>1.750</b>	<b>89,01%</b>	<b>216</b>	<b>10,99%</b>	<b>1.966</b>	<b>100%</b>

Work Schedule	M		F		Total	
	N°	%	N°	%	N°	%
PARTIAL REMOTE WORK	98	4,98%	20	1,02%	<b>118</b>	<b>6,00%</b>
FULL REMOTE WORK	110	5,60%	62	3,15%	<b>172</b>	<b>8,75%</b>
ADAPTABILITY AGREEMENTS FOR EMPLOYEES WITH FAMILY RESPONSIBILITIES	0	0,00%	2	0,10%	<b>2</b>	<b>0,10%</b>
FLEXIBLE HOURS FOR CAREGIVERS OF CHILDREN UP TO 12 YEARS	0	0,00%	0	0,00%	<b>0</b>	<b>0,00%</b>

## 5.4

## Salary Equity

## 5.4.1

### SALARY EQUITY POLICY

ME Elecmetal promotes equity in employment, ensuring fair working conditions. The Company fosters an inclusive environment where equal opportunities, transparency in compensation, and professional development are governed by principles of non-discrimination and merit.

Each subsidiary complies with the labor legislation of the country in which it operates and, additionally, has different policies and standards that demonstrate its commitment to equity. These aim to promote equal opportunity regardless of gender or ethnicity, work-life balance, and the prohibition of discriminatory or illegal practices.

Among the key initiatives to reduce potential pay inequities and ensure that compensation is fair, transparent, and aligned with local legislation, is the Job Valuation Project implemented at Fundición Ventanilla S.A., which includes job standardization and a salary study to ensure equity based on objective criteria for job evaluation and positioning. This project complies with Law No. 30.709, which prohibits pay discrimination between men and women, ensuring transparency and fairness in salary management.

Likewise, ME Global Inc. defined a 2024 objective to increase female participation to 9.5% and establish salary bands based on market data to ensure that all workers receive compensation aligned with their role and responsibilities.

## 5.4.2 WAGE GAP

The gender pay gap is measured as the percentage of the gross hourly wage of women compared to the gross hourly wage of men and is presented in terms of average and median.

Pay Gap	Average Pay Gap (%)	Median Pay Gap (%)
SENIOR MANAGEMENT	N/A	N/A
MANAGEMENT	91%	97%
SUPERVISORY	93%	92%
OPERATORS	80%	84%
SALES FORCE	72%	75%
ADMINISTRATIVE	98%	93%
SUPPORT STAFF	58%	32%
OTHER PROFESSIONALS	98%	96%
OTHER TECHNICIANS	84%	81%

## 5.5

# Workplace and Sexual Harassment

ME Elecmetal is committed to ensuring a safe, respectful, and harassment-free work environment. To this end, it has implemented prevention and management policies aligned with current legislation and international best practices.

The Business Conduct Standards Manual expressly prohibits harassment and discrimination across all Company operations. It also sets forth clear procedures for handling complaints and fosters an organizational culture based on respect. To reinforce this policy, regular training sessions are held for all employees, including annual refresher training and onboarding programs for new hires.

In Chile, following the enactment of Law No. 21.643 in August 2024, Compañía Electro Metalúrgica S.A. and Fundición Talleres Ltda. developed, in collaboration with unions and Joint Committees, a Protocol for the Prevention of Workplace Harassment, Sexual Harassment, and Workplace Violence. This protocol has been integrated into the Internal Rules on Order, Hygiene, and Safety.

At ME Global Inc., a harassment prevention policy prohibits any form of workplace or sexual harassment, ensuring a safe and respectful environment.

At ME Elecmetal (China) Co. Ltd., the harassment prevention policy is outlined in the Employee Handbook, which details conduct rules, disciplinary actions, induction training, and annual sessions for all staff.

At ME Elecmetal South Africa (PTY) LTD, the harassment policy sets a clear framework with guidelines protecting workers' integrity, dignity, and fairness, and establishes complaint and resolution procedures to effectively address these issues.

Throughout 2024, various training sessions focused on preventing workplace and sexual harassment and workplace violence were held, adapted to the local regulations of each country in which the Company operates. In Chile, 100% of employees were trained under Law No. 21.643 and other applicable regulations, addressing prevention, investigation, and sanctioning measures for workplace and sexual harassment. In Peru, Fundición Ventanilla S.A. also conducted specific training for both prevention committees and all employees.

In the United States, ME Global Inc. has implemented a system in which training is mandatory within the Learning Management System and must be completed annually as part of the employee development plan. Similarly, at ME Elecmetal South Africa (PTY) LTD and ME Elecmetal (China) Co. Ltd., all employees receive training on workplace and sexual harassment from the start of their employment, with annual refresher sessions.

On a consolidated level, the number and percentage of trained employees were as follows:

Trained Personnel	N°	%
TOTAL PERSONNEL TRAINED ON THE PROTOCOL FOR PREVENTING SEXUAL HARASSMENT, WORKPLACE HARASSMENT, AND VIOLENCE.	1.696	86,27%
TOTAL PERSONNEL TRAINED ON THE INVESTIGATION AND SANCTION PROCEDURE IMPLEMENTED FOR SUCH BEHAVIOR.	1.401	71,26%

The Company has formal and accessible complaint channels to report – anonymously if desired – incidents of workplace harassment, sexual harassment, or workplace violence, ensuring a transparent, safe, and retaliation-free process for whistleblowers.

All complaints can be submitted through the reporting channel available on the Company’s website ([www.me-elecmetal.com](http://www.me-elecmetal.com)) and the ConéctaME corporate intranet, managed by the Internal Audit and People Management departments. Additionally, each subsidiary has specific procedures aligned with local regulations.

### COMPLAINTS RECEIVED UNDER LAW NO. 21.643 (KARIN LAW):

Complaints	Sexual Harassment	Workplace Harassment	Workplace Violence	Total Complaints
MALE	0	1	0	1
FEMALE	0	0	0	0

Complaint submitted to the organization and to the Labor Department or equivalent body.

## 5.6

# Occupational Safety

The Company considers occupational safety a fundamental pillar at all levels of the organization, promoting a continuous commitment to risk prevention and the protection of its employees. In line with its Zero Harm strategy and its dedication to sustainable development, it rigorously complies with current regulations in each country where it operates and encourages the exchange of best practices among its production plants. To strengthen this approach, ME Elecmetal has an Integrated Policy on Quality, Environment, Energy, Occupational Health and Safety, which sets guidelines for creating safe work environments and continuous improvement in occupational safety.

ME Elecmetal prioritizes hazard and risk identification and management, active worker participation in safety initiatives, and ongoing improvement through periodic reviews of objectives and goals. It also promotes the efficient use of natural and energy resources, ensuring strict compliance with applicable legislation in each country where it operates.

Globally, the Company reinforces a culture of safety through ongoing training and instruction. At ME Global Inc. and ME Elecmetal South Africa (PTY) LTD, safety is evaluated monthly using key indicators, supplemented by multiple training programs. At ME Elecmetal China Co. Ltd., safety team representatives advise workers on health, safety, and environmental matters. This commitment encompasses both environmental protection and the prevention of workplace accidents, ensuring that each employee can perform in a safe and healthy environment.

It is worth noting that, during 2024, the average number of days lost due to accidents was 24,4.

**WORKPLACE INJURY STATISTICS:**

Health and Safety Indicator	Direct Employees	Indirect Employees*
TOTAL RECORDABLE INCIDENT RATE (TRIR)	1,20	2,08
MORTALITY RATE	-	-
NEAR MISS FREQUENCY RATE (NMFR)	2,26	4,59

\* Indirect workers are those who do not have a labor contract with the Company but whose work is controlled by the organization.

\*\* The rate represents the number of incidents (fatalities, serious injuries, or recordable injuries) per 200,000 hours worked.

Considering all ME Elecmetal subsidiaries, the health and safety indicators are as follows:

Health and Safety Indicator	Rate
ACCIDENT RATE (PER 100 WORKERS)	1,27
FATALITY RATE (PER 100,000 WORKERS)	0
OCCUPATIONAL DISEASE RATE (PER 100 WORKERS)	0

## 5.7

## Postnatal Leave

ME Elecmetal supports its employees' right to balance work and family life, ensuring benefits for both mothers and fathers in line with the legal provisions of each country where it operates.

In Chile, postnatal leave lasts 12 weeks after childbirth, followed by 12 weeks of parental leave, which can be used by the mother or transferred to the father. The Company has a Maternity Protection Policy that grants additional benefits beyond local legislation. Hired women receive the full subsidy paid by the Company. In addition, if both parents work at the Company, they may share the parental leave. The Company also grants five days of paid leave for fathers.

In Peru, maternity leave is 98 days, with flexibility to divide it between prenatal and postnatal periods.

In the United States, the Family and Medical Leave Act allows up to 12 weeks of unpaid leave within a 12-month period, while in South Africa, parental leave is granted upon request, in accordance with the Basic Conditions of Employment Act.

In China, the law provides for 158 days of maternity leave, with extensions in case of complicated or multiple births, plus 10 additional days until the child turns three.

### NUMBER OF PEOPLE ENTITLED TO AND WHO USED PARENTAL LEAVE

Parental Leave	Female	Male
	% OF FEMALE WHO USED PARENTAL LEAVE	% OF MALE WHO USED PARENTAL LEAVE
CHILE	N/A	100%
UNITED STATES	N/A	100%
CHINA	N/A	100%
PERU	100%	100%
SOUTH AFRICA	N/A	N/A
MÉXICO	N/A	N/A
CANADÁ	N/A	N/A
AUSTRALIA	N/A	N/A
BRASIL	N/A	N/A
PANAMA	N/A	N/A
MONGOLIA	N/A	N/A
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

## AVERAGE NUMBER OF PARENTAL LEAVE DAYS BY ROLE

Average Days	Average number of postnatal leave days used by female employees during the year*	Average number of paternity leave days (5 days) used during the year*	Average number of parental leave days (6 weeks or less) used by male employees during the year*
SENIOR MANAGEMENT	N/A	N/A	N/A
MANAGEMENT	N/A	5	15
SUPERVISORY	N/A	5	9,33
OPERATORS	N/A	3,48	9,56
SALES FORCE	N/A	5	N/A
ADMINISTRATIVE	49	N/A	N/A
SUPPORT STAFF	N/A	N/A	N/A
OTHER PROFESSIONALS	N/A	1	6
OTHER TECHNICIANS	N/A	1,67	10,50
<b>TOTAL</b>	<b>49</b>	<b>3,14</b>	<b>9,76</b>

\* The average number of days corresponds to the total number of days used in each category, divided by the number of people who used the benefit, to provide a reference for the average time used per employee.



5.8

# Training, Wellness, and Benefits

## TRAINING AND WELLNESS

ME Elecmetal promotes the continuous development of its employees through training programs designed to strengthen technical, managerial, and leadership skills, as well as compliance and workplace safety. While the content varies by location and specific country needs, there are common training areas across all units.

Key topics include specialized technical knowledge, language training, use of digital tools, time management and planning, and the development of leadership and negotiation skills. Training also covers health and safety, procedures, and regulatory compliance, addressing issues such as anti-corruption, antitrust, code of conduct, and environmental and quality policies.

Training and wellness	Total
TOTAL MONETARY RESOURCES ALLOCATED TO EDUCATION AND PROFESSIONAL DEVELOPMENT OF THE ORGANIZATION'S WORKFORCE (M\$).	771.480
PERCENTAGE % THESE MONETARY RESOURCES REPRESENT OF THE ORGANIZATION'S TOTAL ANNUAL REVENUE FROM ORDINARY ACTIVITIES.	0,09%
TOTAL NUMBER OF TRAINED PERSONNEL	1.587
PERCENTAGE THIS NUMBER REPRESENTS OF THE TOTAL WORKFORCE.	80,72%

## AVERAGE NUMBER OF TRAINING HOURS

Average Training Hours	Male	Female	TOTAL
SENIOR MANAGEMENT	6,00	N/A	6,00
MANAGEMENT	26,85	53,20	29,10
SUPERVISORY	61,36	64,40	61,90
OPERATORS	18,02	24,26	18,05
SALES FORCE	41,63	102,42	47,42
ADMINISTRATIVE	34,01	45,32	40,30
SUPPORT STAFF	8,18	8,00	8,17
OTHER PROFESSIONALS	62,62	50,34	59,55
OTHER TECHNICIANS	35,95	17,46	35,24
<b>Total</b>	<b>29,33</b>	<b>48,48</b>	<b>31,31</b>

## EMPLOYEE BENEFITS

Although benefits vary by location, ME Elecmetal maintains common pillars across all operations, covering health, education, and social and economic support.

In health, the Company offers supplementary health and dental insurance, life insurance, collective health plans, and preventive examination operations. In education, it promotes the development of employees and their families through schooling and higher education allowances, scholarships for employees and their children, and technical and managerial training programs. Social and economic benefits include holiday bonuses, allowances and leave for childbirth or marriage, funeral assistance, and emergency health loans.

The Company also promotes incentive and training programs in various areas, ensuring that its employees have the tools for their professional development and comprehensive well-being.

Access to these benefits varies depending on the type of employment contract, with permanent employees receiving most of the benefits.



5.9

## Outsourcing Policy

ME Elecmetal does not have a specific outsourcing policy. However, it selects subcontracted companies through a rigorous evaluation process to ensure that they meet the Company's financial, legal, and risk prevention standards.

Each year, subcontracted companies are evaluated on key aspects such as quality, on-time delivery, environmental impact, and occupational health and safety. Those that do not meet the required standards must implement improvement plans, while those with consistently poor performance may be subject to replacement.

### LABOR STANDARDS REQUIRED OF SUBCONTRACTOR COMPANIES

In Chile, contractor companies must comply with Law 20.123, the Labor Code, and Law 16.744 on occupational risk prevention, in addition to adhering to specific procedures established in the Special Regulation for Contractor Companies. This regulation sets forth the provisions governing the activities, obligations, and responsibilities related to occupational health and safety for all contractor and subcontractor companies during the execution of works or provision of services contracted by the company.

In Peru, operations are governed by Law 29.245, Legislative Decree 1.038, and Supreme Decree 006-2008-TR, although some sites do not currently have contractors operating on-site.

In the United States, subcontractor companies must undergo management audits to verify alignment with ME Elecmetal's corporate practices, which include financial reviews, references, and other control mechanisms. In South Africa, suppliers must comply with at least Level 4 of the BBBEE (Broad-Based Black Economic Empowerment) system and be registered with the Workman's Compensation, in addition to presenting

a valid clearance certificate. In China, subcontractors must strictly comply with labor legislation, which is verified through monthly audits.

## 5.10

# Community

ME Elecmetal continued its commitment to the social and economic development of the communities where the Company operates, through the implementation of various initiatives and projects aimed at improving people's quality of life and generating shared value.

In this context, the Company maintains a close and collaborative relationship with various social organizations in the regions where it operates, including neighborhood councils, and public and private entities. To strengthen this relationship, activities have been defined to promote collaboration and community support, encouraging open dialogue and accessible communication channels to address feedback and suggestions related to operations.

In 2024, the Company continued its donation program, through which it supported 11 organizations in various areas, including Fundación Claro Vial, Pontificia Universidad Católica de Chile, Fundación Paz Ciudadana, Fundación Las Rosas, Sociedad Protectora de la Infancia, Fundación Hermanitas de los Pobres, among others.

It also supported the Social Development Corporation of the Asociación Cristiana de Jóvenes en Rancagua in Rancagua, by providing school supply kits and backpacks to children and adolescents. It also supported several neighborhood councils in Rancagua in financing community activities and in transporting students from Colegio San Andrés for their study tours.

Additionally, supplies were delivered for activities at Jardín Infantil Dintrans and the Inter-American School of Rancagua. In Calama, the Company donated 500 kilograms of food to the Pulguitas dog shelter. For Christmas, it carried out the "A Gift for Jesus" campaign, through which food boxes were distributed to low-income areas near the Rancagua facilities and to the senior citizens' club "Ponle Vida a tus Años."

The Company also funded the Christmas celebration at the Florillitos nursery and daycare center and extended the "Meaningful Christmas" campaign to its employees, who donated gifts for the children at this nursery, thereby promoting participation in corporate volunteering. In the sports field, the Company supported athletes from Rancagua in speed motorcycling and kickboxing, provided a football kit to the Unión Central Tranquilla Sports Club of Salamanca, and sponsored

the "El Loa Challenger 2024" mountain bike race in Calama. In education, it worked in cooperation with SENCE on training courses for the families of Company employees, thereby facilitating new knowledge and tools for their households. In the cultural field, the Company sponsored the Open-Air Theater organized by Casa del Arte and contributed to the beginning of the construction of Parque Gaudí in Rancagua.

Finally, ME Elecmetal actively participated in a new edition of the Social Dialogue Tables, a program developed by Fundación Carlos Vial Espantoso with the support of the Undersecretariat of Labor and Social Welfare, whose aim was to bring together the public sector, the company, and its workers through their union representatives to discuss Gender Equity and Work.

ME Elecmetal (China) Co. Ltd. actively participated in various social programs, including an activity carried out in collaboration with Xinhua Primary School to recognize outstanding students and teachers, as well as its ongoing partnership with Jiangsu University of Technology to promote initiatives for scientific and technological exploration and development, and to offer internships and employment opportunities for students. Additionally, the Annual Family Day was held for all employees in China, with various activities and a plant tour for family members.

Meanwhile, ME Global Inc. supported organizations in various areas, such as Marco de Niza High School, the Lailanies Angels Foundation, and the Damiano Center. It also encouraged employee participation in corporate volunteering through activities such as "National Night Out" and "United Way School Packs," and implemented a donation-matching plan in which the Company matched employees' contributions to charitable organizations.

At ME Elecmetal South Africa (PTY) LTD, the 2024 initiative to host apprentices in various company areas continued, most of whom were women from disadvantaged backgrounds. This initiative has enabled many of the apprentices who complete their training to be hired by the Company, facilitating their integration into the economically active population and helping reduce unemployment in the country. This commitment to the community also extends to sponsoring children from vulnerable schools, covering school fees, uniforms, textbooks, and transportation.

It is worth noting that ME Elecmetal Comercial Perú S.A.C. and ME Elecmetal Brasil Ltda. are governed by the policies and procedures of Fundación Talleres Ltda., while ME Elecmetal Canada Ltd. is governed by the policies and procedures of ME Global Inc.



# 06

Business Model





## 6.1

## Business – Metallurgical

ME Elecmetal is one of the world's leading producers and marketers of special steel wear parts, grinding media, and related products and services for the mining sector. The Company operates through an extensive network of wholly owned manufacturing plants, joint ventures, licensing agreements, and strategic partnerships with world-class corporations such as ESCO (a division of Scotland-based WEIR Group), Valley Forge (USA), Ferry Capitain (France), and Long Teng Special Steel Co., Ltd. (China). It also maintains a wide-reaching network of commercial offices and representatives across all global regions. This reach reflects its strategic commitment to globalization, territorial expansion, and the continuous innovation and diversification of its product and service lines for mining and other target industries.

ME Elecmetal serves global demand through the provision of integral solutions and the following product groups:

- Replacement parts for grinding equipment: steel liners, white iron, rubber-steel composites, and rubber liners for SAG, ball, vertical, and rod mills;
- SAG and secondary grinding balls and rods;
- Replacement parts for crushing equipment: wear parts for gyratory, cone, jaw, impact, and other crushers;
- Ground-engaging tools: blades, adapters, tips, and bucket protection systems for cable and hydraulic shovels, front loaders, and other equipment.

Additionally, ME Elecmetal manufactures:

- Pump components for slurry transport and industrial uses,
- Large castings for primary crushers, mills, copper smelters, and other mining and industrial machinery,
- High-hardness steel plates,
- Repair and refurbishment services for mineral processing equipment.

Through its network of representation lines, the Company also offers a wide range of complementary products and solutions for mining applications, such as:

- Bolts and nuts for mill liner fastening,
- Acoustic monitoring systems to optimize mill performance,
- Bronze components and other accessories for crushers,
- Epoxy backing resins to ensure load transfer, shock absorption, and secure fitting of metal wear parts for crushers.

Under its ME Early Warning & Digital Lab business line, ME Elecmetal offers services involving sensors, fault detection tools, simulations, equipment repair, and productivity enhancement for mining operations. These digital solutions include digital twins, laser-based wear analysis, and advanced operational data analytics. Together with its product offering, they form part of the "ME FIT" (Fully Integrated Technology) program, designed to deliver differentiated added value under its Value Added Philosophy.

ME Elecmetal faces global competitors with operations across several countries in its core businesses of mill and crusher liners and grinding media. Among these is Moly-Cop, the world's leading competitor in the grinding media segment. Moly-Cop, owned by American capital, has filed anti-dumping complaints in multiple jurisdictions where ME Elecmetal operates, targeting imports of grinding balls from China, where ME Elecmetal produces these products through a 50/50 joint venture with Long Teng Special Steel Co., Ltd. to supply customers worldwide. Recently, such actions were taken in Mexico and Chile, and previously in Australia. These protectionist trends, particularly concerning products of Chinese origin, pose significant challenges to certain areas of the Company's metallurgical business.

In Mexico, on March 5, 2024, the competent authority imposed anti-dumping duties on imports of steel grinding balls from China. For Elecmetal, a specific duty rate of 12.35% was applied, resulting from an investigation initiated in September 2022 following a petition by Moly-Cop. This ruling adds to the import tariffs in effect since August 2023 on approximately



400 tariff codes, subject to a temporary 25% duty through July 2025. These tariffs apply to steel products from all countries not covered by Mexico's free trade agreements. Since Mexico does not have a trade agreement with China, this measure directly affects Elecmetal's grinding ball imports. On April 23, 2024, the tariff was raised to 35%. These measures significantly limit the Company's ability to continue supplying the Mexican market. Elecmetal is appealing this ruling, arguing that actual sales prices and production costs of its grinding balls demonstrate that no dumping occurred.

In Chile, in late 2023, the National Commission for the Investigation of Distortions in the Price of Imported Goods (the "Commission") initiated two anti-dumping investigations related to the metallurgical business: i) An ex officio investigation into potential dumping in the import prices of steel bars used to manufacture conventional grinding balls under 4 inches in diameter; ii) An investigation into potential dumping in the import prices of conventional grinding balls under 4 inches, based on a request by Moly-Cop. After months of analysis, in September 2024, the Commission reversed the provisional measures previously in effect and definitively concluded both investigations without recommending protective measures.

In Australia, also at the request of Moly-Cop, anti-dumping measures were enforced for several years. However, they were lifted as of September 2021.

The Company and its subsidiaries comply with local regulations in every country where they operate. In Chile, as a publicly traded corporation, it is also subject to the rules issued by the Financial Market Commission (CMF).



## DELIVERY OF INTEGRAL SOLUTIONS AND INNOVATION

ME Elecmetal's reputation for quality and leadership is globally recognized and built on its ability to deliver value-added solutions tailored to customers' processes. These solutions integrate design, alloys, materials, services, and technology—customized to the specific needs of each client—and comply with the most stringent technical standards. This results in performance improvements that significantly reduce mineral processing and other material handling costs. This value proposition is grounded in the “Value Added Philosophy.” To create added value, the “Value Added Philosophy” focuses on critical aspects of mining operations. This customer-centric approach is highly appreciated and serves as the foundation for ME Elecmetal's leadership in the global market for integral mining solutions. A case in point is the Company's leadership in the SAG mill wear parts market, where, excluding Australia and Asia, where commercial presence is still expanding, ME Elecmetal holds over 50% global market share.

Within this framework, the “ME FIT” program reflects the ongoing pursuit of new, integral solutions for mining clients. It combines products, services, and technologies across mine, crushing, and grinding operations. ME FIT is built on the synergy created by integrating consulting, products, services, technology, personnel, logistics, and manufacturing. This integration enables value creation that could not be achieved otherwise. “FIT” stands for Fully Integrated Technology, and highlights ME Elecmetal's role as an integrator of products, services, and technologies throughout mining, crushing and grinding operations.

ME Elecmetal's technical service offering sets it apart from competitors and is focused on helping clients reduce their effective costs. Services include process optimization consulting (maintenance, loading, mineral and material processing), new product designs, and on-site support from highly trained, experienced personnel. By working closely with clients to identify opportunities, develop innovative solutions, and improve operational and maintenance practices, this performance-based sales model facilitates the formation of real strategic partnerships.

To complement its business lines and comprehensive customer solutions, ME Elecmetal offers an Inspection and Early Warning Services division, designed to boost productivity and efficiency in mining operations.

Also worth highlighting as part of the ongoing development of integral solutions for our customers is the development of a new generation of mill liners, which has been met with strong customer approval. These new liners incorporate different materials, alloys, and technological improvements, all aimed at adding value to customers' mineral processing. These developments are supported by internal teams, client collaborations, and strategic supplier and partner alliances

essential to ME Elecmetal's innovation efforts. Examples include vulcanized cast parts and a new line of molded rubber parts with cast inserts for ball mills.

These innovations—and the ongoing focus on high product quality and service excellence—are central to the Company's continuous innovation program. Joint development with customers, strong technical expertise, and the use of world-class simulation and design tools by ME Elecmetal's Engineering, Design, and Early Warning teams are essential to:

- Increase equipment availability,
- Improve extraction and processing rates,
- Enhance product quality,
- Extend component life, and
- Reduce workers' exposure to risk, among other benefits that represent innovative solutions and best practices for the mining industry.

ME Elecmetal holds patents related to manufacturing methods for various types of special steels used in its casting processes. It also holds patents for a system and method to separate grinding balls, scrap, and magnetite used in our end customers' operations.

There are no clients that account for more than 10% of the Company's consolidated revenues.





## Business – Glass Packaging

Cristalerías de Chile, known as CristalChile, is the leading producer and marketer of glass containers in Chile, serving a wide range of industries including wine, beer, soft drinks, juices, mineral water, spirits, and food. The year 2024 was especially significant for the Company, as it celebrated 120 years of history—a successful journey that began in 1904.

The Elecmetal Group took ownership and operational control of Cristalerías de Chile S.A. in 1975, initiating a major technological and commercial modernization process.

In 1977, the Company entered into a technical assistance agreement with Owens-Illinois of the United States, at that time the world's largest glass packaging manufacturer.

In 1978, CristalChile consolidated its glass container production at its Padre Hurtado plant (Metropolitan Region), which today has an annual production capacity of 280,000 tons. In 2006, the Company expanded and diversified operations by constructing a new plant in Llay Llay (Fifth Region), with its first phase inaugurated in 2007. After three investment phases, this plant now has an annual production capacity of 320,000 tons. Both facilities feature state-of-the-art manufacturing technology, graphic processes, inspection, and packaging lines, delivering high-quality and food-safe containers for both domestic and international markets. These standards have positioned CristalChile as a leader in the packaging industry and a strategic partner in a key sector of the Chilean and global economy—the mass consumption of food and beverages.

CristalChile's vision is to develop innovative container solutions that enhance the quality, image, and efficiency of its clients' products in a motivating, challenging, and collaborative environment, creating sustainable value for shareholders, employees, and communities.

CristalChile serves more than 350 clients in Chile and abroad, offering a variety of technical and commercial support services, ranging from the design and development of new containers to assistance with filling, sealing, labeling, packaging, and logistics processes. The primary clients operate in high-volume markets such as wine, beer, and both alcoholic and non-alcoholic beverages.

CristalChile has a strong presence in the Chilean market and is steadily expanding internationally, both through local clients who export their packaged products and through direct exports of containers to global production operations. The Company currently exports glass containers to over 10 countries.

The Company's purpose is "We create containers that protect life", and its mission is "To be our clients' best ally and win the consumer's preference together." In pursuit of this mission, CristalChile conducts a variety of commercial activities aimed

at providing superior service, developing new glass packaging projects, and promoting the benefits of glass. Notable initiatives include:

- Co-developing new containers with clients, aligned with consumer needs.
- Enhancing product development, helping clients stay ahead of trends with modern, attractive packaging ideas.
- Supporting initiatives to promote Chilean wine in international markets.
- Expanding and consolidating its national glass recycling campaign, forming Chile's largest recycling network. This initiative is widely promoted in the media and highlights the ecological advantages of glass packaging. It has also supported the Corporación de Ayuda al Niño Quemado (COANIQUEM) for over 30 years, enabling care for thousands of child burn victims while recycling billions of glass containers.
- Promoting the citizen initiative "Elige Vidrio" (Choose Glass).

CristalChile promotes the "Elige Vidrio" (Choose Glass) brand as a citizen-led initiative with the mission of encouraging glass consumption by highlighting its qualities, such as quality, safety, environmental responsibility, and social impact. The goal is to raise awareness of responsible packaging consumption and communicate the benefits of glass containers to consumers through various media channels, emphasizing their positive impact on people's quality of life. Throughout the year, CristalChile continued its related activities, expanding its digital community, building strategic partnerships, and strengthening the national recycling network under the "Chile Elige Vidrio" platform. Notable highlights from 2024 include:

**Maihue Alliance – Refill: the new "R" in glass:** While Reuse, Reduce, and Recycle are the foundational 3Rs of environmental responsibility, "Elige Vidrio" added a fourth R—Refill. As part of this initiative, CristalChile partnered with Maihue, a startup specializing in filtered water devices, to distribute attractive refillable glass bottles free of charge to thousands of people throughout Chile.

**Historias en Vidrio (Stories in Glass):** A new cycle of digital video capsules was produced to support client storytelling. Featured brands included Viña Carmen with Frida Kahlo, Cerveza Patagonia, Bless, and Puelo Café.

**Vive Sustentable (Live Sustainably):** As part of an effort to bring consumers closer to the glass manufacturing process, Chef and TV host Carlo Von Mühlenbrock visited the Padre Hurtado plant. He toured the entire production cycle—from recycled glass to a fully-formed decorated bottle—for his "Vive Sustentable" show, broadcast on 13C's digital platforms.

In today's context, where environmental impact is increasingly critical, "Elige Vidrio" has emerged as a key platform promoting a collective commitment to the planet. This led to the creation

of “Chile Elige Vidrio”, a national initiative that developed a permanent, economically viable, and responsible recycling network, adaptable to the needs and complexities of each region. This model, enabled through public-private partnerships, engages regional companies, municipalities, local logistics operators, and recycling entrepreneurs—all committed and aware of the environmental contributions they can make. Their involvement is essential for reaching remote areas across Chile, which would remain inaccessible in their absence.

A defining attribute of glass is its reusability: glass containers can complete an average of 35 reuse cycles before being recycled again. CristalChile continues to promote this circular model, delivering additional consumer benefits such as:

- Lower pricing,
- Product safety and purity,
- Reduced environmental impact.

Returnable glass formats include bottles for water, soft drinks, juices, and beer, ranging from 237 ml to 1,250 ml.

CristalChile manufactures both returnable and non-returnable glass containers, in a variety of mouth types—including Crown, Twist-Off, Safety Cap, MCA2, Cork, and Screw Cap—with decoration, coloring, and labeling options. All products meet the strict quality requirements of both domestic and international markets.

CristalChile continued in 2024 to strengthen its commitment to sustainable development through its 2030 Sustainability Strategy, which aims to position glass containers as the most sustainable packaging in the world—“the best on the planet”—by developing new environmental attributes increasingly required by customers, valued by consumers, and aligned with the Company’s purpose: “We create containers that protect life.” The growing expectations from clients, consumers, and regulatory bodies to disclose and mitigate environmental impacts mean that the attributes that once defined CristalChile’s products—such as quality, safety, and price—are now joined by a key differentiator: the environmental footprint of each container is a determining factor in its competitiveness.

Many of CristalChile’s customers compete in highly demanding markets from a legal and commercial standpoint, where environmental performance and packaging impact are crucial. As a strategic partner to major brands operating in these complex environments, CristalChile must provide containers that enable market access where environmental standards are strict.



Accordingly, the Sustainability Strategy focuses on developing packaging with lower weight, higher recycled glass content, reduced greenhouse gas (GHG) emissions, lower water consumption and a production process that generates no landfill waste. These initiatives will yield positive social impacts across the Company's stakeholder groups and reinforce an organizational culture of care for life, benefiting clients, consumers, employees, suppliers, and the communities surrounding industrial operations, as well as the country as a whole. The Sustainability Strategy is structured around four strategic pillars, with corresponding goals and KPIs, all of which are continuously monitored.

Innovation plays a cross-cutting role within the organization. Its success depends on collaboration with other departments and alignment with the Company's strategic goals. The innovation team works closely on managing projects that generate long-term value. In 2024, the primary objectives were to optimize processes, reduce costs, support sales growth and increase operational efficiency.

CristalChile's commitment to operational excellence is grounded in continuous improvement, resource optimization, waste reduction, and the maximization of customer value. In 2023, both plants maintained AA+ certification under the BRCGS Packaging Materials Standard (UK), valid through October 2024. This certification reinforces the Company's dedication to the quality and safety of its containers. The BRCGS Packaging Materials standard is recognized by the Global Food Safety Initiative (GFSI) and confirms that the Company ensures compliance with standards for food safety, product quality, legal and regulatory compliance, food defense and fraud prevention. The Company anticipates resuming the certification process in 2025, when version 7 of the standard takes effect.

Cristalerías de Chile has continued executing its long-term investment program, which seeks to guarantee clients a timely and high-quality supply of products, and improve working conditions for employees.

Operating revenue from the glass packaging business in fiscal year 2024 totaled CLP 235,847 million, 19.6% higher than the previous year (CLP 197,258 million), mainly explained by a 14.1% increase in glass container sales compared to the prior year, and the recognition of CLP 10,929 million in income corresponding to insurance compensation for business interruption losses due to the furnace incident at the Padre Hurtado plant at the end of 2022.

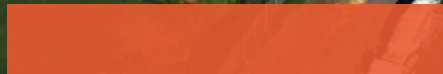
Operating costs reached CLP 199,416 million, representing a 9.3% increase over the previous year. This variation is mainly due to higher sales volume and increased depreciation and fuel costs during the period.

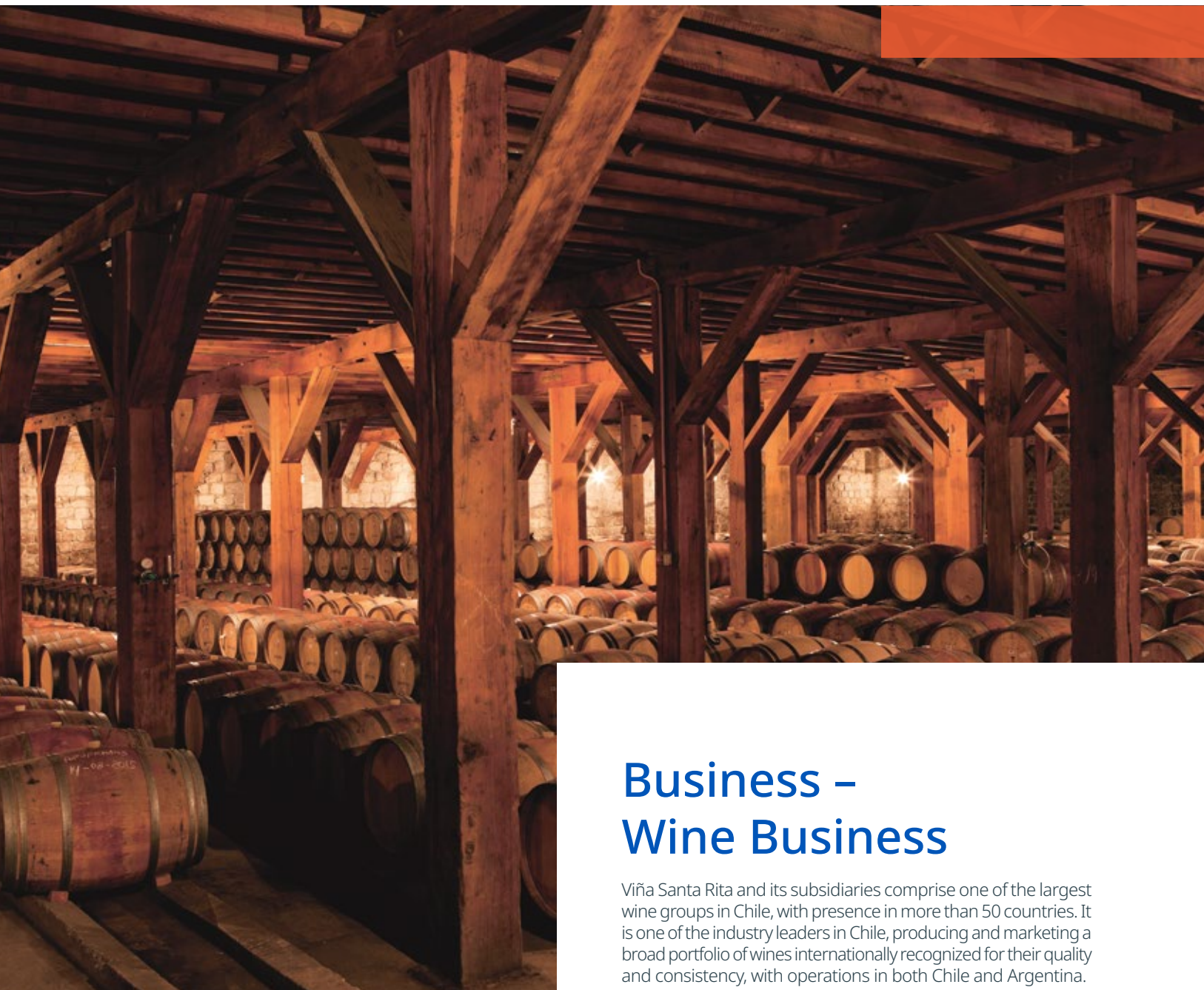


Gross profit for the year was CLP 36,431 million, compared to CLP 14,831 million the year before, mainly explained by the aforementioned insurance compensation, higher sales volume, and greater production efficiency.

Other income reached CLP 797 million, whereas the previous year it had totaled CLP 5,294 million, a variation mainly due to the recognition in 2023 of the insurance reimbursement for asset losses related to the previously mentioned 2022 incident.

Operating income for the year was a profit of CLP 10,693 million, compared to a profit of CLP 2,303 million in 2023.





## Business – Wine Business

Viña Santa Rita and its subsidiaries comprise one of the largest wine groups in Chile, with presence in more than 50 countries. It is one of the industry leaders in Chile, producing and marketing a broad portfolio of wines internationally recognized for their quality and consistency, with operations in both Chile and Argentina.

Elecmetal participates in the wine industry through its direct and indirect ownership of Sociedad Anónima Viña Santa Rita.

Viña Santa Rita was founded in 1880 by Don Domingo Fernández Concha in the Alto Jahuel area. From the outset, with a modern and innovative vision, Don Domingo introduced fine French grape varieties into the soils of the Maipo River valley, and hired renowned French winemakers, allowing him to produce wines using techniques and achieving results far superior to those traditionally seen in Chile.

In 1980, the Claro Group, through Cristalerías de Chile, together with Owens Illinois (USA), then the world's leading producer

of glass containers, acquired part of Viña Santa Rita's assets, including its brands, the Alto Jahuel plant, and 80 hectares of vineyards. The new owners provided a significant boost to the company. In production, innovative technologies and winemaking techniques—previously unknown in Chile—were introduced. Commercially, Viña Santa Rita launched the 120 line in 1982, which had previously consisted of a single product. In 1985, the Company began its international expansion, exporting wines to multiple markets. In 1988, the Claro Group assumed full ownership of the Company by acquiring Owens Illinois' shareholding.

Viña Santa Rita owns and operates vineyards in Chile and Argentina, as well as its own vinification and bottling facilities in both countries. These are complemented by an extensive global product distribution network. In addition to its own vineyards, the company operates long-term leased fields. At year-end, Viña Santa Rita had 3,586 hectares planted. The Company and its subsidiaries produce wines that are distinctive and high-quality, the result of a continuous focus on terroir, innovation, research, and development aimed at meeting the expectations of consumers worldwide.

Viña Santa Rita is guided by its Vision: "To be global wine leaders," and it pursues its Mission: "To lead in the sustainable development and growth of the wine industry, captivating consumers around the world through the experience, innovation, and quality that distinguish our brands, and through the outstanding work of our people."

Viña Santa Rita and its subsidiaries market Chilean wines under their own brand, as well as wines from Viña Carmen, Sur Andino, and Argentine wines through Doña Paula and Sur Andino Argentina. The winery also produces and distributes sparkling wines and markets certain brands of Chilean and international spirits domestically.

The main export markets for Viña Santa Rita and its subsidiaries include Argentina, Brazil, Canada, China, Colombia, South Korea, Denmark, the United States, the United Kingdom, Ireland, Japan, and Mexico. Viña Santa Rita ranks among the top three Chilean wine brands in Ireland, the United States, Brazil, Mexico, and Paraguay.

To meet the expectations of its customers across domestic, export, and tourism markets, the Company manages its processes sustainably, ensuring product and service quality and safety, with responsible communication in advertising and marketing.

In 2024, the Company implemented a new commercial strategy, including brand repositioning and the introduction of new products. In the domestic market, it strengthened its presence in major restaurants with targeted plans for both Mass On-Trade and Premium On-Trade channels. It launched online stores on Mercado Libre and Walmart Marketplace, and optimized its Santa Rita Online website with a new address API to improve delivery accuracy, alongside a revamped SEO and marketing strategy. In the export market, the following initiatives stood out in 2024. In Asia, presence was expanded across various areas. In Japan, the partnership with Nishuhan was solidified,

making Santa Rita its exclusive partner, which led to listings on Hirose, the country's leading wine e-commerce platform, and the relaunch of the 120 and Medalla Real lines. In China, the commercial team grew, opening new accounts in luxury retail and on-trade channels, including the debut of Frida Kahlo Cuvée Brut and Moscato. In Singapore, a distribution agreement was signed with Cold Storage for Medalla Real Gran Reserva. In South Korea, Triple C consolidated its leadership, becoming the number-one market for this wine. In Europe, a new direct approach was implemented for the Denmark and Belgium markets. In Brazil, new distributor partnerships were formed, including with FEMSA, achieving 5,000 new points of sale and regaining a listing with Texas de Brazil for Triple C. In Mexico, Colección de Origen entered Costco, and through FEMSA's traditional channel, 120 3 Medallas expanded its distribution. In the United States, Carmen increased its presence in Total Wine & More with additional campaigns and tastings. In Canada, the Company sponsored the Calgary Flames hockey team.

In 2024, an important milestone in global winemaking was commemorated at Viña Carmen: the 30th anniversary of the rediscovery of Carmenère, attended by Jean-Michel Boursiquot and marked by the release of the trailer for the documentary "The Lost Grape" by Sunn Stream. A special edition Carmenère from Viña Carmen was presented to celebrate the occasion.

To support its new commercial strategy and strengthen brand positioning across markets, the Company conducted various marketing campaigns during 2024, focusing on both domestic and export markets to build strong connections with consumers and clients.

Thanks to the efforts and products of Viña Santa Rita and its subsidiaries, as in previous years, important national and international recognitions were obtained in 2024, reinforcing the organization's status as sustainable and forward-looking. Of particular note is the wine tourism program at Viña Santa Rita in Alto Jahuel, which promotes heritage preservation, community engagement, and local development, and which achieved remarkable results and recognition. The World Wine Tourism Organization named it the "Best Responsible Wine Tourism Experience", while Hotel Casa Real was ranked among the top 40 hotels in the world and second in South America by Travel + Leisure, and also listed in the Top 20 of South America by Condé Nast. These recognitions reflect the significant growth of this area, which reached record-breaking results in 2024.

Among many noteworthy accolades for the Company's wines in 2024, Casa Real 2021 received 97 points from Vinous and 95 points from Wine Spectator—the latter being the second-highest score ever awarded by the magazine to a Chilean wine. Floresta Carmenère 2021 was ranked #35 among the Top 100 Wines in the World by Wine Enthusiast. Pewën de Apalta 2023 was named Best Carmenère in Chile by Descorchados. Carmen DO Florillon #6 was recognized as Chile's most innovative white wine by Peter Richards MW, while James Suckling ranked it #17 in the Top 100 Wines of Chile 2024. Carmen Delanz Cabernet Sauvignon was selected as Best Ultra Premium Wine of the Year by La CAV.



At Doña Paula, the Altaluvia Cabernet Franc 2019 won “Best in Show” with 97 points at the Decanter World Wine Awards 2024.

Additionally, Teresita Ovalle, winemaker for Floresta, was named Young Winemaker of the Year by La CAV’s Mesa de Cata Guide, with her wines Floresta Cabernet Sauvignon and Floresta Carmenère being awarded Best in Variety in Chile.

In a context where environmental responsibility is becoming increasingly relevant, Viña Santa Rita and its subsidiaries have embraced sustainable growth as a core business strategy, committing to responsible and sustainable practices across all stages of the value chain. To communicate its performance in this area, the Company published its eighth GRI Sustainability Report.

In 2024, Viña Santa Rita invested USD 3.3 million, continuing its long-term investment plan, primarily focused on supporting its strategic plan to improve winemaking efficiency, automating processes, increasing productivity, enhancing self-sufficiency in grape supply, improving water availability, with a particular emphasis on ultra-premium wines. On the environmental front, the Company implemented a reverse osmosis water treatment system and made significant investments in its industrial

wastewater treatment plants (WWTPs) located in Palmilla and Los Lirios. In addition, it began development of a wine tourism plan in Argentina, with the goal of achieving a leadership position similar to that of its Chilean operations.

Throughout 2024, the Company continued developing the Fortalezas program with its employees, aiming to improve quality of life and reinforce shared values, blending work and family life as part of the Company’s cultural identity. This contributed to a solid, responsible, and well-being-focused corporate culture. Various activities were carried out in Chile and Argentina, designed to strengthen the bonds among employees, their families, and local communities, promoting integration and well-being in diverse locations.

In Chile, the Company’s main competitors are Viña Concha y Toro S.A., VSPT Wine Group, Viña Montes, and Viña Luis Felipe Edwards Ltda.

In terms of sales revenue, Viña Santa Rita and its subsidiaries reported consolidated revenue of CLP 159,637 million, representing a 2.6% decrease from the previous year (CLP 163,827 million). In the consolidated export market (including Chile and Argentina),



2024 revenue in Chilean pesos rose 5.3%, reaching CLP 79,493 million, primarily due to a higher average exchange rate compared to the previous year. This effect offset a 5.6% drop in volume shipped (2,687,411 cases), and a 1.5% decrease in average sale price, which reached USD 31.2 per case.

Sales in the domestic market totaled CLP 59,950 million, a decline of 11.7%, explained by a nationwide decrease in wine consumption, a 11.3% increase in average selling price, and distribution network challenges. As a result, sales volume fell by 20.7%.

*Information regarding competition, legal framework, and oversight entities for subsidiaries Cristalerías de Chile S.A. and S.A. Viña Santa Rita is presented in their respective integrated reports.*



## Business – Communications

Since 1989, the Company has participated in the media and communications sector through Cristalerías de Chile S.A., which, via its subsidiary Ediciones Chiloé S.A. (owner of Ediciones Financieras S.A.), operates in the press and publishing business under the Grupo DF, which includes “Diario Financiero”, “ED”, and other publications.

The year 2024 was very positive for Grupo DF and for Diario Financiero in particular. The brand made significant strides in relevance and positioning, thanks to the prestige of its content and growth in both audience and subscriptions over recent years across all platforms, both print and digital. Its coverage of current affairs—particularly in business and economic sectors—has enabled a clear market differentiation.

As part of an innovation strategy, a major highlight in April was the launch of Señal DF, the new Saturday edition, which achieved rapid reader acceptance and strong commercial success. Other notable milestones included high-profile events such as the Economic Seminar, Mas Pitch, and the launch of

Mining Mas Pitch. On the ED side, the standout event was Bazar ED 2024, which, in its 16th year, attracted more than 20,000 attendees.

From a business standpoint, despite continued challenges in the media industry and a particularly complex 2024 for the advertising market, Grupo DF succeeded in increasing total revenue by 12.9%. During this period, subscription monetization grew significantly, with a 16.6% increase in subscription revenue, driven mainly by digital subscriptions. In addition, advertising revenue rose 14.1%, with print ads and the new Señal DF Saturday edition performing especially well.

Given the broader challenges faced by media organizations in Chile and globally, Grupo DF has shown that its business model is innovative, sustainable, and recognized for the high perceived value of its content and product development.

## Business – Electricity Generation

As part of its commitment to a sustainable value chain, Elecmetal, through its subsidiary Cristalerías de Chile, participates in the renewable energy business via its subsidiary Taguavento. This company is the controlling entity of Parque Eólico Las Peñas (ELP), located in the municipality of Arauco, in Chile's Biobío Region (Region VIII). The wind farm consists of four wind turbines with a total installed capacity of 8.4 MW, which is injected into the National Electric System (SEN).

In 2024, ELP achieved a consolidation milestone, with substantially improved operational metrics, reaching real availability over 96% and an extraordinary capacity factor of 46.7%, making it, once again, the best-performing wind farm in Chile's National Electric System (SEN).

In a context where the renewable energy sector has faced significant regulatory, legal, and technological challenges, ELP has established itself as a high-value, long-term niche player. First, it generates green energy during nighttime hours, a

counter-cyclical period relative to solar projects, when the SEN demands and will continue to demand higher-priced energy, without requiring subsidies or regulatory support. Second, it has been consistently recognized by third parties for its operational and productive efficiency, becoming an industry benchmark. Third, it is a strategic green energy project with IREC attributes, which Elecmetal uses to offset the emissions of its metallurgical business in Chile. This comprehensive approach is backed by a financial model with an EBITDA margin of 75% of sales, which has sustained a steady cash flow, enabling the Company to reduce its initial USD 13.5 million debt in 2016 to USD 2.9 million by the end of 2024.

As part of its Sustainability commitment, Elecmetal is going beyond merely purchasing IREC certificates: through its indirect subsidiary ELP, it is investing directly in the generation and certification of renewable energy. This enables the Company to operate with zero Scope 2 CO<sub>2</sub> emissions in Chile, by covering 50% of the electricity consumption of the Rancagua Plant—the same amount of clean energy generated by ELP.



## 6.2

## Stakeholders

As part of its Sustainability Strategy, Elecmetal has identified and systematized its various key stakeholder groups, with whom it engages in actions aimed at developing and strengthening a direct, positive, and effective relationship across each business unit, as appropriate. Each party with an interest in the Company's performance holds its own concerns and expectations, mainly associated with the impacts and risks of each operation and how these may ultimately affect and/or benefit their well-being and their relationship with the Company. These issues directly inform Elecmetal's material topics (1). For this reason, it is essential for Elecmetal to listen actively and interact with its surroundings to develop specific actions that either mitigate negative impacts or create value, depending on the case, for each identified stakeholder group, thus ensuring the proper functioning, progress, and value creation of the business.

The stakeholder engagement strategy is implemented across all areas of the Company, supported by clearly defined objectives, commitments, engagement methods, frequency, key topics, and responsible areas. These are tasked with monitoring compliance, identifying gaps, and gathering insights and opportunities to improve management and achieve greater positive impact.

ME Elecmetal defines Materiality as the process of identifying key topics that guide its sustainability management, which arise directly from an inventory of risks and impacts that may negatively affect stakeholders and must therefore be mitigated, or that provide added value and should therefore be strengthened.

At the Group level, there is a Sustainability Committee with participation from all businesses: metallurgy, glass packaging, wine, communications, and energy generation. This committee meets monthly to monitor compliance, coordinate efforts across business units, and share best practices.

At Elecmetal, people are a key stakeholder group. For this reason, in the Metallurgical Business, the relationship with employees is addressed as a strategic pillar of the Sustainability Strategy, under the pillar "Our People". Customers, suppliers, and communities are engaged through the pillar "Connections to Create Value". All of this is supported by a comprehensive governance framework that evolves naturally with the business and enables effective stakeholder management. In this context, during 2024, the Company continued working with consultants Gestión Social to promote and consolidate the Metallurgical Business's commitment to sustainability, with a focus on stakeholder engagement and the implementation of its Sustainability Strategy.

Below are the main stakeholders associated with the strategic pillars of Sustainability:

### **INVESTORS:**

Shareholders, banks, bondholders.

### **EMPLOYEES:**

All direct and indirect workers (plants, service centers, offices).

### **COMMUNITIES:**

Neighbors to the facilities.  
Organizations and institutions, government entities (authorities, regulators, and others), universities and foundations, charitable and educational support institutions, and other intermediate bodies

### **SUPPLIERS:**

Suppliers of raw materials (scrap, ferroalloys, sand, energy, etc.), equipment and others.  
Contractors for permanent services (cleaning, food, security, etc.) and contractors for specific services.

### **CLIENTS:**

Mainly large mining clients.

### **MEDIA: PUBLIC AND PRIVATE:**

Public and private media.

In addition, the Company is a member of SOFOFA, APRIMIN, ASIMET, Fundación Chilena del Pacífico, AmCham, Chilean-South African Chamber, Fundación Carlos Vial Espantoso, Fundación Generación Empresarial, ICARE and USEC





美伊电钢（常州）机械有限公司  
ME Elecmetal (China) Co., Ltd.

## 6.3

## Properties and Facilities

### MANUFACTURING PLANTS

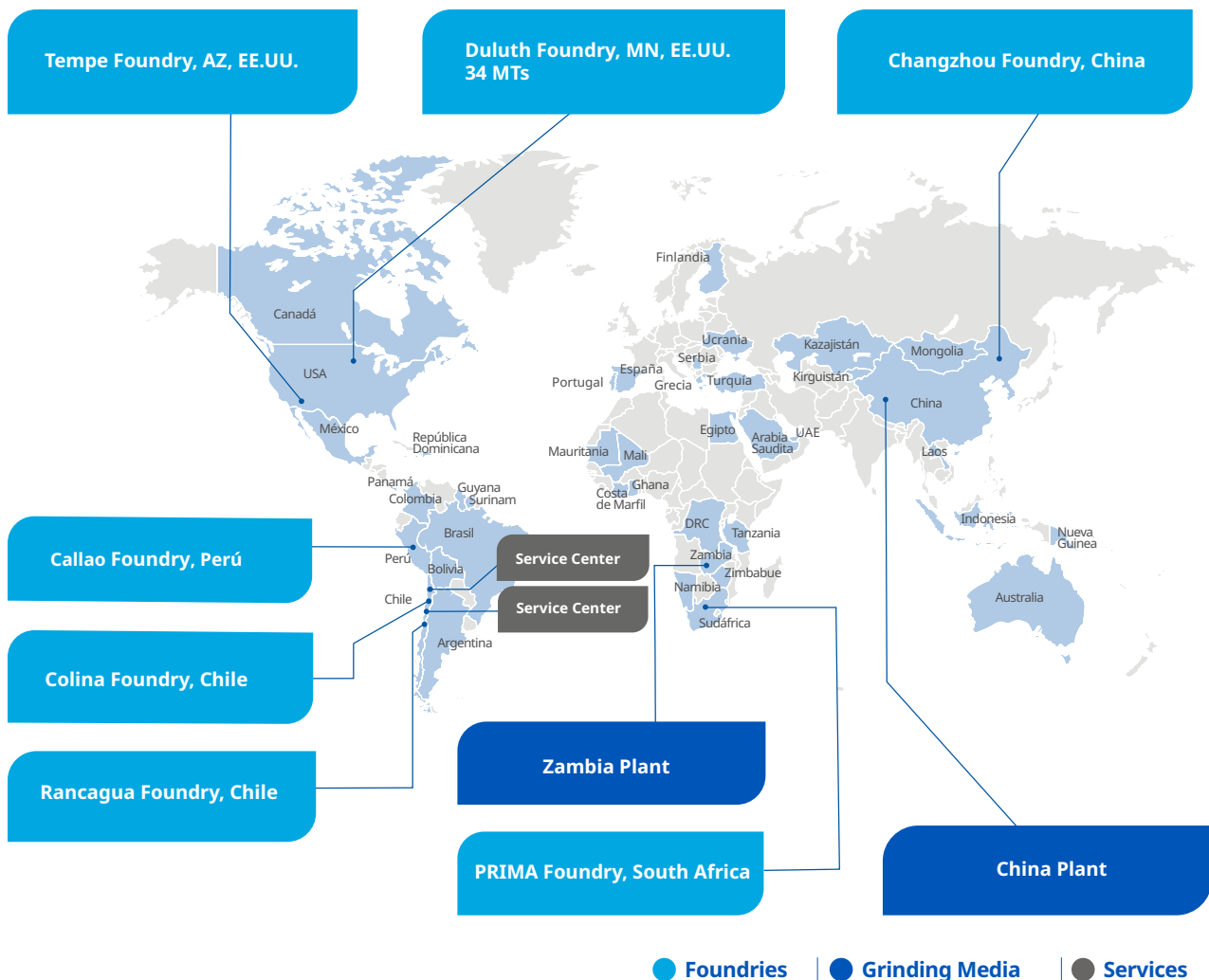
Country	Type of Property	Own/Rented/ under Financial Lease	Main features	Location
CHILE	Rancagua Plant (Fundición Talleres Ltda.): foundry and offices	Own	Estimated total surface area of 94,000 m <sup>2</sup> of land and 42,500 m <sup>2</sup> built-on area. Total capacity: 36,000 annual tons. Certified by ISO 9001:2015, ISO 14001: 2015, ISO 45001:2018, ISO 50001:2018.	Av. Estación 01200, Rancagua
USA	Duluth Plant (ME Global Inc.): foundry and offices	Own	Estimated total surface area of 192,400 m <sup>2</sup> of land and 29,700 m <sup>2</sup> built-on area. Total capacity: 34,000 annual tons. Certified by ISO 9001:2015, ISO 14001: 2015.	200 East Carterett Street, Duluth, MN 55808.
USA	Planta Tempe (ME Global Inc.): foundry and offices	Own	Estimated total surface area of 120,500 m <sup>2</sup> of land and 25,300 m <sup>2</sup> built-on area. Total capacity: 20,000 annual tons. Certified by ISO 9001:2015, ISO 14001: 2015, ISO 14064-1:2018.	5857 South Kyrene Road, Tempe, Arizona.
CHINA	Changzhou Plant (ME Elecmetal (China) Co., Ltd.): foundry and offices	Own	Estimated total surface area of 66,000 m <sup>2</sup> of land and 42,710 m <sup>2</sup> built-on area. By the end of 2026, once the capacity expansion project under development is completed, the plant will have a total capacity of 42,000 annual tons. Certified by ISO 9001:2015, ISO 14001: 2015, ISO 45001:2018.	31 Donggang 2nd Road, Changzhou.
PERU	Callao Plant (ME Elecmetal Comercial Perú S.A.C.): foundry and offices	Own	Estimated total surface area of 18,000 m <sup>2</sup> of land and 7,000 m <sup>2</sup> built-on area. Total capacity: 5,500 annual tons. Certified by ISO 9001:2015, ISO 14001: 2015, ISO 45001:2018.	Calle Nueve N° 222, Urbanización Industrial Oquendo, Callao, Lima
SOUTH AFRICA	South Africa Plant (ME Elecmetal South Africa (PTY) LTD): foundry and offices	Own	Estimated total surface area of 40,000 m <sup>2</sup> of land. Total capacity: 15,000 annual tons	28 Lincoln Road, Benoni, 1501, Johannesburg



## OFFICES

Country	Type of Property	Own/Rented/under Financial Lease	Ubicación
CHILE	Offices	Own	Hendaya 60, of. 1502, Las Condes, Santiago
CHILE	Offices	Rented	Av. Andrés Bello 2233, Pisos 6, 11 y 12, Providencia, Santiago
USA	Offices	Rented	3901 University Avenue NE, Minneapolis, MN. 55421.
PERU	Offices	Rented	Av. La Encalada 1257 of. 503, Santiago de Surco, Lima
ZAMBIA	Offices	Rented	N°1 Chila Road, Woodlands, Lusaka
ARGENTINA	Offices	Rented	Posada 1540, Buenos Aires
AUSTRALIA	Offices	Rented	Level 25, 108 Georges Terrace, Perth
MONGOLIA	Offices	Rented	Suite 306, 1st Khoroo Chandmani Tuv Building, Ulaanbaatar

## OUR OPERATIONS AND BUSINESS OFFICES



## 6.4

# Subsidiaries, Related Companies and Investments in other Companies

## 6.4.1

## SUBSIDIARIES AND RELATED COMPANIES

## SUBSIDIARIES:

Name	Tax ID (RUT)	Address	Type of Company	Issued Capital (CLP\$ 000)	Equity (ThCh\$)	Corporate Purpose
HENDAYA S.A.	83.032.100-4	Hendaya 60 1502, Las Condes, Santiago, Chile	Closely-held Corporation	2.626.890	128.798.414	Research consultancy activities, and provision of data administration and processing services
CRISTALERÍAS DE CHILE S.A.	90.331.000-6	José Luis Caro 501, Padre Hurtado, Santiago, Chile	Public Corporation	81.020.002	434.272.281	Manufacture of glass containers and investments in companies
INVERSIONES ELECMETAL LTDA.	99.506.820-6	Hendaya 60, Piso 15, Las Condes, Santiago, Chile	Limited Liability Company	9.955.631	334.404.702	Investments
FUNDICIÓN TALLERES LTDA.	99.532.410-5	Av. Estación 01200, Rancagua, Chile	Limited Liability Company	13.559.780	35.767.983	Manufacture and commercialization of steel spare parts.
ME GLOBAL INC.	EIN 62-1870545	3901 University Avenue NE, Minneapolis, MN 55421, EE.UU.	Closely-held Corporation	9.964.600	280.533.649	Manufacture and commercialization of steel spare parts.
ME ELECMETAL (CHINA) CO., LTD.	N° registro 320400400033384	31 Donggang 2nd Road, Changzhou.	Wholly Foreign Owned Enterprise	38.363.710	68.930.866	Manufacture and commercialization of steel spare parts.
ME ELECMETAL SOUTH AFRICA (PTY) LTD	N° registro 2024/417412/07	28 Lincoln Road, Benoni, 1501, Johannesburg	Limited Liability Company	11.259.998	11.137.501	Manufacture and commercialization of steel spare parts.
PRIMCO INVESTMENT PTY LTD.	N° registro 2018/196579/07	28 Lincoln Road, Benoni, 1501, Johannesburg	Limited Liability Company	20	7.461.310	Manufacture and commercialization of steel spare parts.
ME HONG KONG TRADING CO. LIMITED	CN1520351	15th Floor, Tower One, Lippo Centre, 89 Queensway, Admiralty, Hong Kong	Limited Liability Company	13	108.351	Commercial Representation and Commercialization

Chairman	Vice Chairman	Board Members	General Manager	Direct and Indirect Ownership	Investment over Total Assets (ThCh\$)	Commercial Relationships	Description of Acts and Contracts
Cristóbal Eyzaguirre Baeza (1)	N/A	Alfonso Swett Saavedra (1) José Ignacio Figueroa Elgueta (1) Patricio García Domínguez Rolando Medeiros Soux	Luis Grez Jordán	99,99% (no changes)	12,54%	Provision of services	N/A
Baltazar Sánchez Guzmán (1)	Cristóbal Eyzaguirre Baeza (1)	José Miguel Sánchez Erle Abel Bouchon Silva José Ignacio Figueroa Elgueta (1) Fernando Franke García (1) Fernando Izquierdo Etchebarne Sebastián Swett Opazo Alfonso Swett Saavedra (1) Alfonso Marquez de la Plata Cortés	Eduardo Carvallo Infante	53,56% (no changes)	23,27%	N/A	N/A
Rolando Medeiros Soux	Baltazar Sánchez Guzmán (1)	Eugenio Arteaga Infante (2) Eduardo Muñoz Huerta (2) José Pablo Domínguez Bustamante (2)	Eugenio Arteaga Infante (2)	100% (no changes)	33,45%	N/A	N/A
Rolando Medeiros Soux	N/A	Eugenio Arteaga Infante (2) Eduardo Muñoz Huerta (2) José Pablo Domínguez Bustamante (2)	José Pablo Domínguez Bustamante (2)	100% (no changes)	3,58%	Commercialization of products and provision of services	N/A
Rolando Medeiros Soux	N/A	Jaime Claro Valdés Eugenio Arteaga Infante (2) Eduardo Muñoz Huerta (2) José Pablo Domínguez Bustamante (2) Baltazar Sánchez Guzmán (1)	Ted Angelo	100% (no changes)	28,06%	N/A	N/A
Rolando Medeiros Soux	N/A	Eugenio Arteaga Infante (2) Eduardo Muñoz Huerta (2) José Pablo Domínguez Bustamante (2)	Frank Xu	100% (no changes)	6,90%	Commercialization of products and provision of services	N/A
N/A	N/A	Nicolás Cuevas Ossandón (2) Eduardo Muñoz Huerta (2)	Eduardo Muñoz Huerta (2)	100% (New subsidiary 2024)	1,08%	N/A	N/A
N/A	N/A	Eugenio Arteaga Infante (2) Eduardo Muñoz Huerta (2) Rolando Medeiros Soux	William Leslie Price	95% (New subsidiary 2024)	0,71%	Commercialization of products and provision of services	N/A
Rolando Medeiros Soux	N/A	Eugenio Arteaga Infante (2) Nicolás Cuevas Ossandón (2) Rolando Medeiros Soux	N/A	100% (no changes)	0,01%	Commercialization of products and provision of services	N/A

Name	Tax ID (RUT)	Address	Type of Company	Issued Capital (CLP\$ 000)	Equity (ThCh\$)	Corporate Purpose
ME ELECMETAL COMERCIAL PERÚ S.A.C.	RUC20545481333	Av. La Encalada 1257 of. 503, Santiago de Surco. Centro Empresarial La Encalada, Lima, Perú	Closely-held Corporation	12.367.569	14.114.450	Commercial Representation and Commercialization
FUNDICIÓN VENTANILLA LIMITADA	RUC20100014808	Calle Nueve N° 222, Urbanización Industrial Oquendo, Callao, Lima	Limited Liability Company	6.622.382	6.712.175	Manufacture and commercialization of steel spare parts.
ME ELECMETAL GHANA LIMITED	TIN C0028609786	N° 4, Adabraka, Momotse Street, Accra, Ghana	Limited Liability Company	0	0	Commercial Representation
ME ELECMETAL BRASIL LTDA	CNPJ 13.492.664/0001-67	Av do Contorno 6594, Andar 7 16 e 17, Savassi, Belo Horizonte, MS, 30.110-044	Limited Liability Company	16.132	10.486	Commercial Representation
ME MNG LLC (MONGOLIA)	TP 5793068	Suite 306, 1st Kho-roo Chandmani Tuv Building, Ulaanbaatar, Mongolia	Limited Liability Company	51.128	345.632	Commercial Representation
ME ELECMETAL AUSTRALIA PTY LTD.	ABN 46 167 574 478	Level 25, 108 Georges Terrace, Perth	Limited Liability Company	68	314.131	Commercial Representation and Commercialization
ME ELECMETAL CANADÁ LTD.	BN 79140 0294 RC0001	3901 University Avenue NE, Minneapolis, MN. 55421.	Limited Liability Company	24.553	2.944.507	Commercial Representation
ME ELECMETAL PANAMA, S.A.	RUC 144711617-2-2021	Calle el puerto barriada las mercedes 4239, Coclé, Aguadulce, Pocrí	Closely-held Corporation	9.965	27.054	Commercial Representation
SOC. COM. ME ELECMETAL MÉXICO S DE RL DE CV	RFC CME1708231C8	Jacobo Callot 34, Interior 301, Ciudad de México	Variable Capital Limited Liability Company	528	-2.096.835	Commercial Representation and Commercialization
INDUSTRIA DE ACEROS ESPECIALES S.A.	92.892.000-3	Carlos Sage 96, Quinta Normal, Santiago, Chile	Closely-held Corporation	288	1.092	Basic iron and steel industries.

Chairman	Vice Chairman	Board Members	General Manager	Direct and Indirect Ownership	Investment over Total Assets (ThCh\$)	Commercial Relationships	Description of Acts and Contracts
N/A	N/A	N/A	José Pablo Domínguez Bustamante (2)	100% (no changes)	1,28%	Commercialization of products and provision of services	N/A
Rolando Medeiros Soux	N/A	Eugenio Arteaga Infante (2) José Pablo Domínguez Bustamante (2) Rolando Medeiros Soux Miroslav Jiras Sponza	José Pablo Domínguez Bustamante (2)	80% (New subsidiary 2024)	0,53%	Commercialization of products and provision of services	N/A
N/A	N/A	Angela Gyasi Eugenio Arteaga Infante (2) Nicolás Cuevas Ossandón (2)	N/A	100% (no changes)	0,00%	Commercialization of products and provision of services	N/A
N/A	N/A	N/A	Julio Pastén (3)	100% (no changes)	0,00%	Commercialization of products and provision of services	N/A
N/A	N/A	Eduardo Muñoz Huerta (2) Eugenio Arteaga Infante (2) Nicolás Cuevas Ossandón (2)	Andrei Makovetski (3)	100% (no changes)	0,03%	Commercialization of products and provision of services	N/A
Nicolás Cuevas Ossandón (2)		Eduardo Muñoz Huerta (2) Eugenio Arteaga Infante (2) Nicolás Cuevas Ossandón (2) Robert Mayberry	Robert Mayberry (3)	100% (no changes)	0,03%	Commercialization of products and provision of services	N/A
Eduardo Muñoz Huerta (2)	N/A	Eduardo Muñoz Huerta (2) Eugenio Arteaga Infante (2) Jean Hebert Ted Angelo	Jean Hebert (3)	100% (no changes)	0,29%	Commercialization of products and provision of services	N/A
Eduardo Muñoz Huerta (2)	N/A	Eduardo Muñoz Huerta (2) Eugenio Arteaga Infante (2) Nicolás Cuevas Ossandón (2)	Eduardo Muñoz Huerta (2)	100% (no changes)	0,00%	Provision of services	N/A
N/A	N/A	N/A	José Pablo Domínguez Bustamante (2)(3) Nicolás Cuevas Ossandón (2)(3) Roberto Lecaros Villarroel (2)(3)	100% (no changes)	0,00%	Commercialization of products and provision of services	N/A
Jaime Claro Valdés	N/A	Jaime Claro Valdés Pedro Jullian Sánchez Rolando Medeiros Soux	Rolando Medeiros Soux	99,87% (no changes)	0,00%	N/A	N/A

Name	Tax ID (RUT)	Address	Type of Company	Issued Capital (CLP\$ 000)	Equity (ThCh\$)	Corporate Purpose
BAYONA S.A.	86.755.600-1	Hendaya 60, Piso 15, Las Condes, Santiago, Chile	Closely-held Corporation	85.340.898	3.064.138	Investments
S.A. VIÑA SANTA RITA	86.547.900-K	Apoquindo N°3669, Piso 6, Las Condes, Santiago, Chile	Public Corporation	216.946.270	62.854.266	Production and commercialization of wines.
MÁLAGA LTDA.	86.251.100-K	José Luis Caró 501, Padre Hurtado, Santiago, Chile	Limited Liability Company	-35.429	10.000	Real estate construction and investments
SERV. COMPARTIDOS TICEL LTDA.	76.101.694-6	Av. Apoquindo 3669, Oficina 302, Las Condes, Santiago, Chile.	Limited Liability Company	339.970	60.000	IT consultancy activities and IT facility management

## RELATED COMPANIES:

Name	Tax ID (RUT)	Address	Type of Company	Issued Capital (CLP\$ 000)	Equity (CLP\$ 000)	Corporate Purpose
ME LONG TENG GRINDING MEDIA (ZAMBIA) LIMITED	N° registro 120160005351	Plot 6061, Chitemene Road, Northmead, Lusaka	Limited Liability Company	19.929.200	40.954.407	Manufacture and commercialization of grinding balls for customers in Africa
ME LONG TENG GRINDING MEDIA (CHANGSHU) CO., LTD.	N° registro 320581400010615	No. 56 Longteng Rd, Tonggang Industrial District, Meili Town, Changshu, Jiangsu, China.	Limited Liability Company	61.899.512	90.839.716	Manufacture and commercialization of grinding balls
ESCO ELECMETAL FUNDICIÓN LTDA.	76.902.190-6	Bayona 600, Colina, Santiago, Chile.	Limited Liability Company	27.211.000	39.065.966	Manufacture and commercialization of steel spare parts

(1) Elecmetal Director

(2) Elecmetal Officer

(3) Administrator or legal representative

Chairman	Vice Chairman	Board Members	General Manager	Direct and Indirect Ownership	Investment over Total Assets (ThCh\$)	Commercial Relationships	Description of Acts and Contracts
Juan Antonio Álvarez Avendaño (†)	N/A	Juan Antonio Álvarez Avendaño (†) Baltazar Sánchez Guzmán (1) Rolando Medeiros Soux Matías Concha Berthet	Luis Grez Jordán	100% (no changes)	8,54%	N/A	N/A
Baltazar Sánchez Guzmán (1)	Cristóbal Eyzaguirre Baeza (1)	Constanza Cea Sánchez José Ignacio Figueroa Elgueta (1) Andrés Navarro Betteley Pedro Ovalle Vial Alfonso Swett Saavedra (1)	Javier Bitar Hirmas	57,88% (no changes)	12,56%	N/A	N/A
Baltazar Sánchez Guzmán (1)	N/A	Baltazar Sánchez Guzmán (1) Rolando Medeiros Soux Eugenio Arteaga Infante (2) Luis Grez Jordán Juan Antonio Álvarez Avendaño (†)	N/A	100% (no changes)	0,00%	N/A	N/A
Nicolás Cuevas Ossandón (2)	N/A	Nicolás Cuevas Ossandón (2) Luis Grez Jordan José Miguel Benavente Pereira Juan Carlos Bull Soruco Arturo Miquel Parot Ignacio Almarza Carvajal	Fernando Santos De La Fuente	100% (no changes)	0,03%	IT Support.	N/A

Chairman	Vice Chairman	Board Members	General Manager	Direct and Indirect Ownership	Investment over Total Assets (%)	Commercial Relationships	Description of Acts and Contracts
N/A	N/A	Bingyuan Ji Choolwe Hakalima Isikanda Wamulwange Kennedy Katongo Rabeca Ndalameta Rolando Medeiros Soux Shawn Xu Zen Xu (2)	N/A	50% (no changes)	2,05%	Commercialization of products and provision of services	N/A
Bingyuan Ji	Rolando Medeiros Soux	Bingyuan Ji Eduardo Muñoz Huerta (2) Eugenio Arteaga Infante (2) Rolando Medeiros Soux Shawn Xu Victor Lu Zen Xu (2)	N/A	50% (no changes)	4,54%	Commercialization of products and provision of services	N/A
N/A	N/A	José Pablo Domínguez Bustamante (2) Dan Kearsley Raoul Meunier Artigas Greg Esau	Ramón Alarcón Arias (3)	50% (no changes)	1,95%	Commercialization of products and provision of services	N/A

For more details on the activities of Cristalerías de Chile and its subsidiaries, see Cristalerías de Chile's Annual Report.  
For more details on the activities of Viña Santa Rita and its subsidiaries, see Santa Rita's Annual Report.

## 6.4.2 INVESTMENTS IN OTHER COMPANIES

### SCHEMATIC TABLE OF OWNERSHIP RELATIONSHIPS:

Emiting Party	Elecmetal	Hendaya	Inversiones Elecmetal	Cristalerías de Chile	Bayona
HENDAYA S.A.	99,99%				
CRISTALERÍAS DE CHILE S.A.	34,03%	10,30%			9,24%
INVERSIONES ELECMETAL LTDA.	99,99%	0,01%			
FUNDICIÓN TALLERES LTDA.	98,00%	2,00%			
ESCO ELECMETAL FUNDICIÓN LTDA.	50,00%				
ME GLOBAL INC.			99,90%		0,10%
ME LONG TENG GRINDING MEDIA (CHANGSHU) CO., LTD.			50,00%		
ME ELECMETAL (CHINA) CO., LTD.			100,00%		
ME ELECMETAL SOUTH AFRICA (PTY) LTD			100,00%		
PRIMCO INVESTMENT PTY LTD. *			95,00%		
ME HONG KONG TRADING CO. LIMITED		1,00%	99,00%		
ME ELECMETAL COMERCIAL PERÚ S.A.C.	0,00%		96,30%		
FUNDICIÓN VENTANILLA S.A.					
ME ELECMETAL GHANA LIMITED			100,00%		
ME ELECMETAL BRASIL LTDA	0,10%				
ME MNG LLC (MONGOLIA)			100,00%		
ME ELECMETAL AUSTRALIA PTY LTD.			100,00%		
ME LONG TENG GRINDING MEDIA (ZAMBIA) LIMITED *			50,00%		
ME ELECMETAL CANADÁ LTD.			100,00%		
ME ELECMETAL PANAMA, S.A.			100,00%		
SOC. COM. ME ELECMETAL MÉXICO S DE RL DE CV		0,01%	99,99%		
INDUSTRIA DE ACEROS ESPECIALES S.A.	99,87%				
BAYONA S.A.	4,06%	95,94%			
S.A. VIÑA SANTA RITA	1,92%			60,56%	23,52%
CRISTALCHILE INVERSIONES S.A.				99,99%	
MÁLAGA LTDA.		20,00%			80,00%
EDICIONES CHILOÉ S.A.		0,01%		99,99%	
EDICIONES FINANCIERAS S.A.		0,37%			
CURSOS DE CAPACITACIÓN Y CONFERENCIAS EDICIONES FINANCIERAS LIMITADA *		0,37%			
VIÑA LOS VASCOS S.A.					
VIÑA CARMEN S.A.					
VIÑA CENTENARIA S.A.					
DISTRIBUIDORA SANTA RITA LTDA. *					
RAYÉN CURÁ S.A.I.C.					
VIÑA DOÑA PAULA S.A.					
SUR ANDINO S.A.					



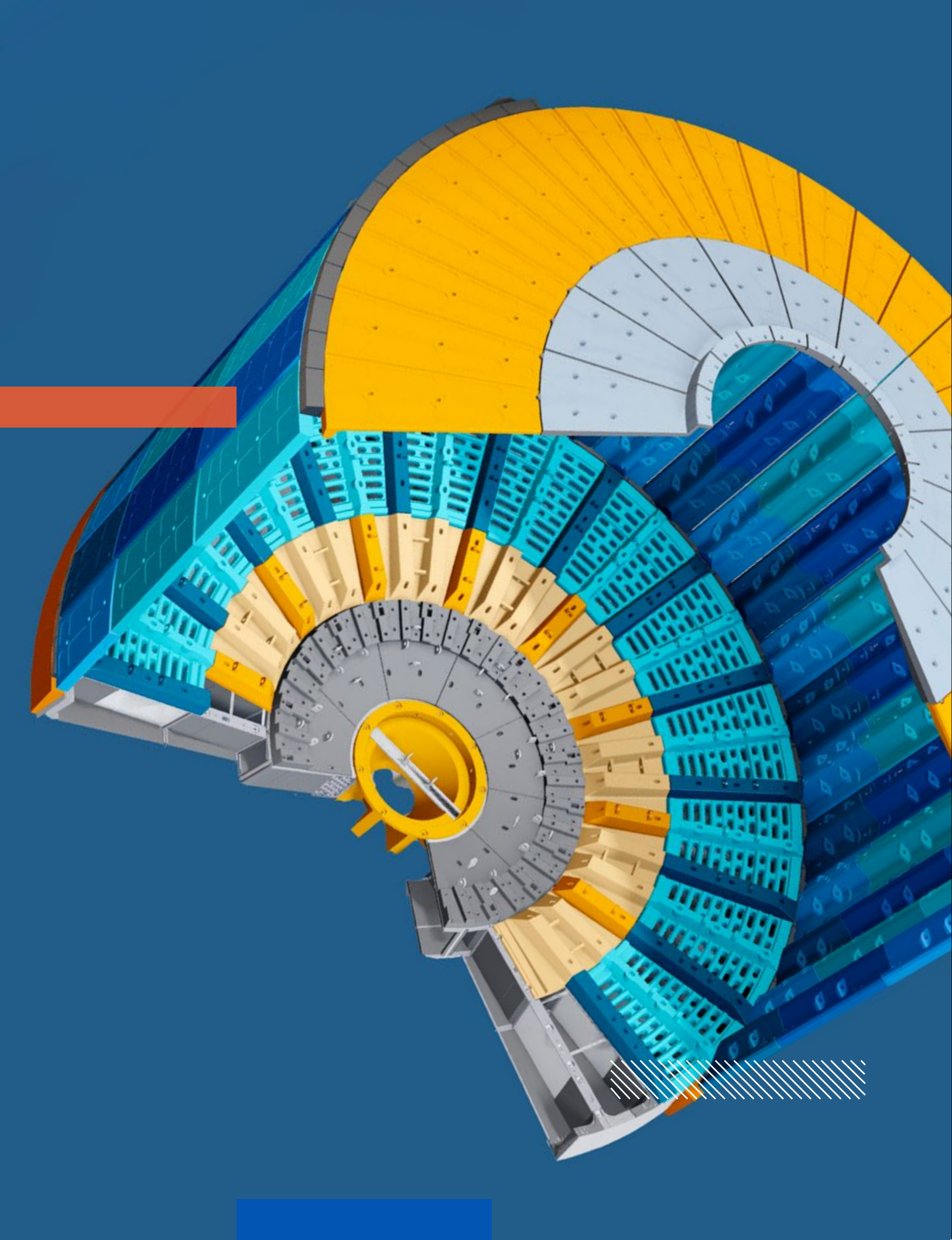
Emiting Party	Elecmetal	Hendaya	Inversiones Elecmetal	Cristalerías de Chile	Bayona
SERV. COMPARTIDOS TICEL LTDA.	20,00%	20,00%		20,00%	
NATIVA ECO WINES S.A.					
SUR ANDINO ARGENTINA S.A					
TAGUAVENTO S.P.A				100,00%	
CPA S.P.A. *				70,00%	
PARQUE EÓLICO LAS PEÑAS SPA *				82,65%	
WINE PACKAGING & LOGISTICS LTD.				34,00%	
SANTA RITA USA CO.					
SANTA RITA EUROPE LIMITED					
VIÑEDOS SANTA EMILIANA S.A.				10,07%	

\* Direct and Indirect Interest



Ediciones Chiloé S.A.	Viña Santa Rita	Cristalchile Inversiones	Viña Carmen	Fundición Talleres	ME Elecmetal Comercial Perú	Viña Centenaria	Sur Andino
	20,00%			20,00%			
	99,00%		1,00%				
			96,70%			3,30%	
	100,00%						
	100,00%						





# 07

## Supplier Management





## 7.1

## Payment to Suppliers

Supplier management is the responsibility of the Procurement area, which reports to the Administration and Finance Department. The main focus of work is to ensure the operational continuity of the production plants with costs and qualities of raw materials, commodities and other goods and services that allow us to be competitive in the provision of integral solutions for our customers.

Currently, the main suppliers provide goods and services such as raw materials (scrap, ferroalloys, etc.), materials (sand, refractories, etc.), transportation, spare parts, fuel and others.

It should be noted that an important source of raw materials are the customers with whom we have contracts to recover scrap steel parts directly from their sites to be melted again in the Company's furnaces to produce new steel parts, which represents an important circular economy initiative.

There are supplier policies and different formal procedures according to the commercial conditions of each country where the company operates. We try to maintain, for most of our suppliers, 30-day payment terms, especially with those considered critical, due to their importance in operational continuity and product quality. With regard to the Register of Agreements with Exceptional Payment Terms maintained by the Ministry of Economy, it should be noted that the Company has no agreements registered in this register.

Terms	Number of invoices paid during the year to suppliers		Total amount (millions of pesos)		Total amount of interest for extended payment of invoices (millions of pesos)		Number of suppliers	
	Nat.	Foreign	Nat.	Foreign	Nat.	Foreign	Nat.	Foreign
UP TO 30 DAYS	16.640	34.200	125.683	407.064	1	2	1.311	1.591
31 TO 60 DAYS	4.766	3.174	18.448	86.626	-	-	731	251
OVER 60 DAYS	1.492	1.412	3.393	176.657	-	-	339	142

7.2

## Supplier Evaluation

The Company has policies and procedures in place to monitor the status of its main suppliers and contractors. They are periodically evaluated on aspects related to their performance and are given feedback when appropriate. The evaluation may consider aspects such as safety, labor compliance, management, delivery dates, product or service quality, environmental aspects, and financial statements.

Our commitment to building relationships with suppliers that are based on mutual benefit extends to contractors and subcontractors that provide services to the Company, mainly in the areas of plant maintenance and third-party labor.

It is managed with a special focus on safety and compliance with labor regulations. In this regard, we work through a web page that allows suppliers to upload their documentation and thus speed up the evaluation and validation process.

### Supplier Evaluation

NUMBER OF SUPPLIERS EVALUATED DURING THE YEAR BASED ON SUSTAINABILITY CRITERIA DEFINED BY THE ENTITY ITSELF	143
PERCENTAGE OF TOTAL SUPPLIERS EVALUATED	32%
PERCENTAGE OF TOTAL PURCHASES FOR THE YEAR CORRESPONDING TO DOMESTIC SUPPLIERS EVALUATED BASED ON SUSTAINABILITY CRITERIA	19%
PERCENTAGE OF TOTAL PURCHASES FOR THE YEAR CORRESPONDING TO FOREIGN SUPPLIERS EVALUATED BASED ON SUSTAINABILITY CRITERIA	6%

### MANAGEMENT OF SUBCONTRACTORS

The Company's commitment to building relationships with suppliers extends to contractors and subcontractors that provide services, mainly in the areas of services, plant maintenance and third-party labor.

The Company has requirements for services and/or work performed by external parties, some of which are constant and others more specific and/or sporadic, and is committed to protecting the safety of the contractor's personnel, for which it works with the following elements:

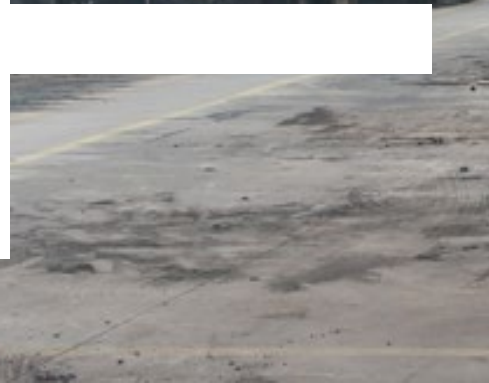
- Internal Regulations:** with a special Internal Regulation for contractor companies, which incorporates all the requirements and standards to ensure that the activities are safe and healthy and thus avoid accidents and occupational diseases.
- Documentary Control:** with the use of Documentary Control Software, "SubcontrataLey", which allows us to monitor the legal requirements of contractors and their workers before they enter the organization. This validation is a fundamental requirement to carry out the work and formalize the entry of contractors to the Company's plants and also to facilities where the Company provides services, such as the delivery of products to customer sites and the collection of material for recycling.

ME Elecmetal and Longteng Special Steel Co., Ltd. have a 50/50 joint venture company in China called "ME Long Teng Grinding Media (Changshu) Co. Ltd." ("ME Long Teng") for the exclusive manufacture of grinding media that ME Elecmetal markets directly worldwide. This strategic partner, as the supplier of grinding balls, accounts for more than 10% of the Company's total purchases for the year. No other supplier accounts for more than 10% of the Company's purchases.



# 08

## Legal and Regulatory Compliance





# Legal and Regulatory Compliance

The Company complies with current regulations in each jurisdiction where it operates. Management in each of the countries is in charge of implementing the processes that comply with labor, environmental, customer, free competition and Law No. 20,393 statutory requirements. The document titled "Standards of Business Conduct and Crime Prevention Model" describes how the Company addresses these issues. In relation to Consumer Rights' Protection Law No. 19,496, the Company, in individual terms, does not have procedures since this law is focused on mass consumption and/or financial market end customers, who are not part of the metallurgical business customer portfolio.

We are aware of the intensive use of energy in the production of steel parts and the environmental impact that this entails. For this reason, we are focusing our efforts on reducing energy consumption and greenhouse gas (GHG) emissions, promoting efficiency in the production process, and encouraging the sustainable use of natural resources, replacing raw materials with recycled steel, and contributing to the efficient use of water resources throughout the production process.

## COMPLIANCE WITH LABOR REGULATIONS

The Company has implemented procedures aimed at preventing and detecting regulatory breaches related to workers' rights through the following actions:

1. Clear policies that define workers' rights and compliance expectations. This includes regulations regarding harassment, discrimination, working hours, and compensation, among others. These are set forth in the Company's Internal Regulations, the Business Conduct Standards Manual, and the Crime Prevention Model.
2. Training and awareness: Training sessions for all employees on topics such as workplace harassment, sexual harassment, and violence in the workplace, as well as current legal regulations.
3. Whistleblower Channels: The Company has confidential mechanisms in place for employees to report potential violations without fear of retaliation.

4. Internal Audits: The Company and the People Management area undergo regular audits to assess compliance with labor policies and detect potential risk areas. This includes documentation reviews and analysis of labor practices.

5. Investigation of Non-Compliance: There are established protocols to investigate any complaints or indications of non-compliance. Investigations are conducted impartially, with the aim of resolving issues appropriately.

6. Ongoing Review and Improvement: Procedures and policies are evaluated and updated in light of legislative changes and the needs of employees, ensuring alignment with best practices.

7. Senior Management Commitment: Senior management is committed to upholding labor rights and actively promotes a culture of respect and ethics in the workplace.

No sanctions have been issued against the Company regarding workers' rights, nor has it been subject to any labor protection actions.

## FREE COMPETITION

Management in each country is responsible for ensuring compliance with free competition regulations. Our Free Competition Compliance Manual aims to disseminate and enforce our commitment to fully comply with antitrust and free competition laws. It serves as a guide for all ME Elecmetal employees to prevent violations and provide basic guidance and recommendations on appropriate conduct in this area. This manual is part of the implementation of a prevention model in line with the Crime Prevention Model under Law 20.393, and complements the Company's existing Corporate Policy on Anti-Corruption and Fraud.

Details on how the Company addresses these matters are outlined in the document "Business Conduct Standards and Crime Prevention Model."

The Company has not been sanctioned for non-compliance with free competition regulations.

## LAW 20,393

The Company has a Crime Prevention Model Manual. The purpose of this document (the "Manual") is to establish the governance structure and guidelines that support the adoption, implementation, and supervision of the Company's Crime Prevention Model (CPM), including prevention, detection, resolution, and monitoring activities, in accordance with Law No. 20,393 on the Criminal Liability of Legal Entities.

The Company's Crime Prevention Model, applicable to both the Company and its Related Entities, is structured as an integrated process that encompasses prevention, detection, response, and monitoring activities. These activities are implemented through specific controls over processes or activities exposed to the risk of the crimes referenced in Article 1 of Law No. 20,393, as applicable to the Company's operations. These crimes are listed in the Company's Compliance Risk and Control Matrix.

The model reasonably and seriously considers the following elements in relation to the corporate purpose, business line, size, complexity, resources, and activities carried out by the Company and its Related Entities, as provided in Article 4 of Law No. 20,393:

- a) Identification of processes or activities at risk of crime occurrence,
- b) Establishment of protocols and procedures to prevent and detect criminal conduct,
- c) Confidential and secure reporting channels,

- d) Implementation of internal sanctions for non-compliance in accordance with the Internal Hygiene and Safety Regulations,
- e) Designation of a Crime Prevention Officer,
- f) Periodic evaluations of the CPM by independent third parties, and
- g) Ongoing training on the CPM.

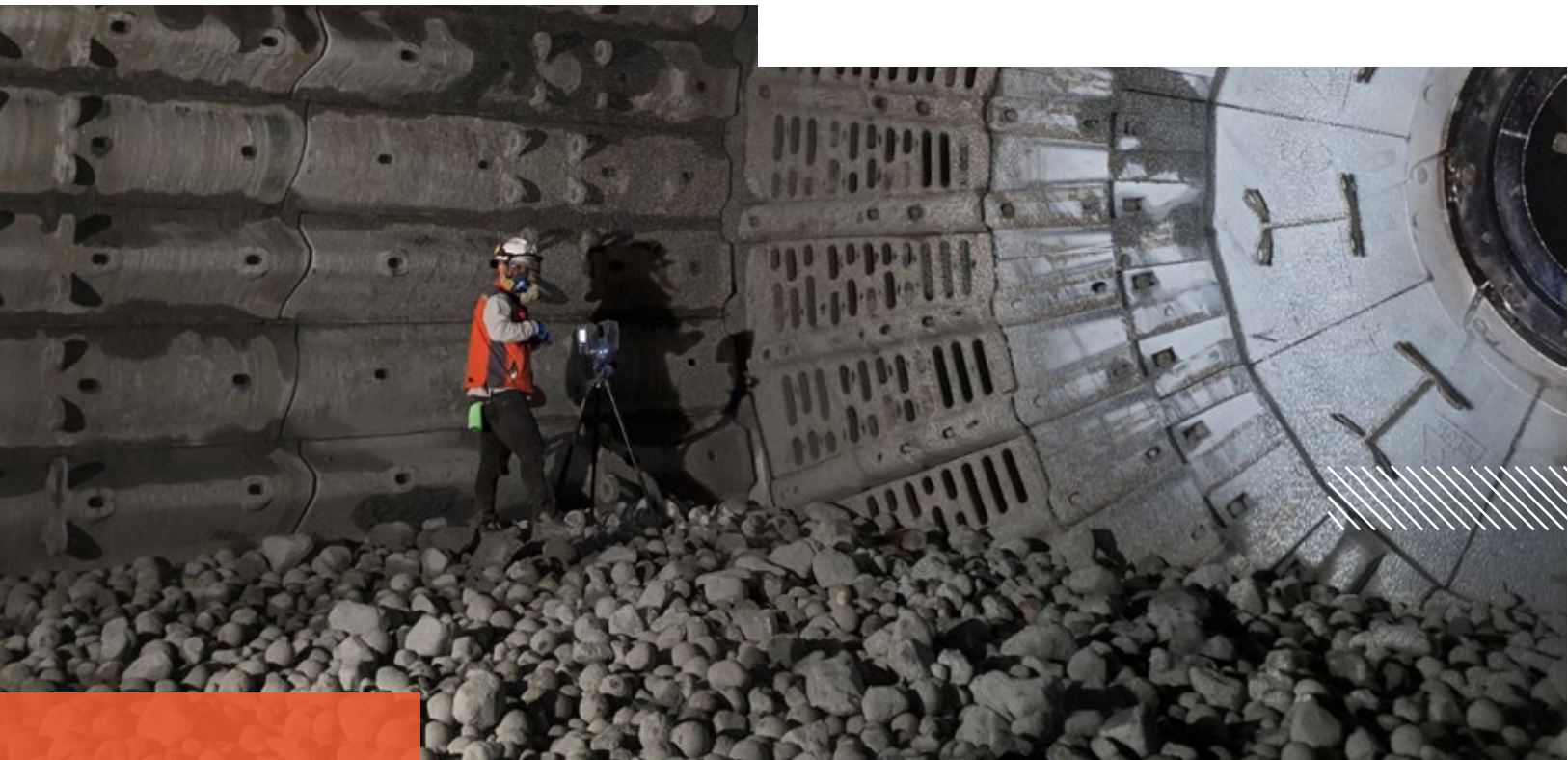
The Company has not been sanctioned for non-compliance with Law 20,393.

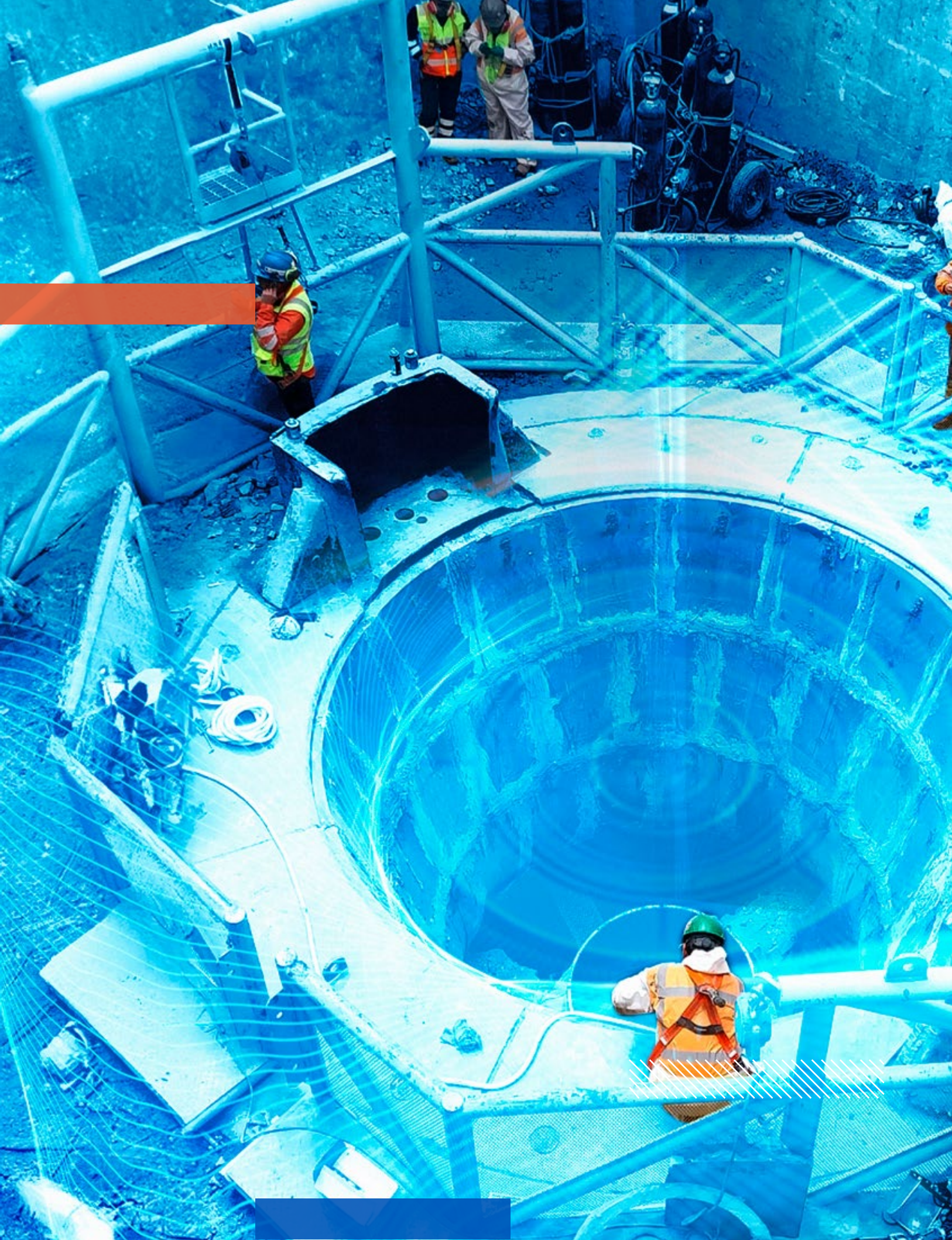
## ENVIRONMENTAL COMPLIANCE

During 2023 and 2024, Elecmetal received no environmental fines or sanctions at any of its facilities.

In terms of environmental compliance programs, all plans required by local regulations were implemented satisfactorily, including pollutant discharge permits, spill Prevention, Control, and Countermeasure (SPCC) plans, wastewater management plans, and aquifer protection permits. Several additional compliance programs were approved in key areas such as air emissions, water quality, noise control, and solid and hazardous waste management.

Regarding environmental remediation plans, no incidents requiring the submission or implementation of such plans were reported during the evaluated period.

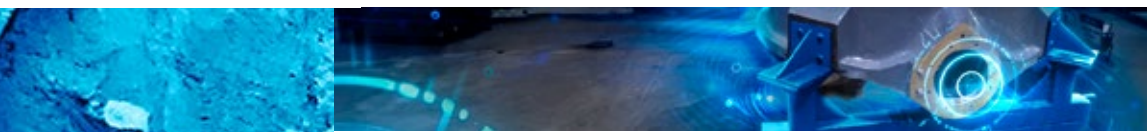






# 09

Sustainability



9.1

# SASB Metrics

## SUSTAINABILITY INDICATORS BY INDUSTRY TYPE

The information and data provided in this section follow the SASB disclosure standards applicable to the Iron & Steel Producers industry. The scope is global, with aggregated reporting for the four in-house manufacturing plants dedicated to steel wear parts in the metallurgical business, located in:

- Rancagua, Chile
- Duluth, United States
- Tempe, United States
- Changzhou, China

The plants acquired in 2024 in Peru and South Africa will be gradually incorporated into the environmental performance measurements, with the goal of expanding data coverage and identifying further management opportunities.

## ACTIVITY METRICS

EM-IS 000.a	2024
TOTAL CRUDE STEEL PRODUCTION (METRIC TONS)	94.822
PERCENTAGE FROM BASIC OXYGEN FURNACE PROCESSES	0%
PERCENTAGE FROM ELECTRIC ARC FURNACE PROCESSES	100%

*Note: Total finished products were considered the relevant activity metric for disclosure. Electric furnaces—including both electric arc and induction furnaces—were grouped together.*

## GREENHOUSE GAS EMISSIONS

EM-IS 110a.1	2024
GROSS GLOBAL SCOPE 1 EMISSIONS	51.910
PERCENTAGE COVERED UNDER EMISSIONS-LIMITING REGULATIONS	0%

EM-IS 110a.2. At ME Elecmetal, emission reduction targets have not yet been formally established.

Within the organizational structure of the metallurgical business, there is a Global Manufacturing Committee, composed of the Plant Managers from the Company's operations in Chile, China, and the United States. Among its various responsibilities, this Committee defines and implements short- and long-term plans, including projects and operational best practices, particularly in areas related to sustainability. Each plant measures its carbon emissions based on the GHG Protocol methodology, and this process is coordinated, monitored, and analyzed by the Committee.

At a consolidated level, during 2024, ME Elecmetal worked on the measurement and verification of its Scope 1 and Scope 2 greenhouse gas emissions, setting 2023 as the baseline year for future emission reduction projects. This initiative has led to advancements in GHG management at each plant.

At the Rancagua plant in Chile, the ISO 50001 Energy Management System was implemented. This certification allows the Company to systematize energy management, optimize resource use, and reduce emissions related to natural gas and electricity consumption. In the long term, the Energy Management System will be maintained and strengthened through the implementation of specific measures to reduce natural gas consumption and thus lower associated emissions.

In the United States, Scope 1 and 2 emissions were measured during 2024, with plans to include Scope 3 emissions, as well as emissions from corporate offices in Tempe and Minneapolis, in the 2025 measurements. Scope 1 emissions will also be verified as part of this process.

At the Changzhou plant in China, the long-term strategy involves continued fuel usage monitoring, waste reduction, and exploration of new technologies to further decrease emissions over the coming years. Given the relevance of Scope 2 emissions, a deeper analysis into renewable energy usage is planned to reduce overall greenhouse gas emissions.

## AIR QUALITY

Regarding air pollutant emissions and regulatory thresholds, the Company conducts its operations in compliance with the applicable regulations in each country where it operates. Regulatory compliance is verified by the Environmental Management area. ME Elecmetal has implemented air emission abatement systems at each of its plants, which allow for effective control of particulate matter emissions generated during industrial processes.

EM-IS 120a.1	2024
CO	96,14
NOX (EXCLUDING N2O)	47,51
SOX	12,11
PARTICULATE MATTER (PM 10)	52,56
MANGANESE OXIDE (MNO)	0,061
LEAD (PB)	0,061
VOLATILE ORGANIC COMPOUNDS (VOC)	59,54
POLYCYCLIC AROMATIC HYDROCARBONS (PAH)	NA

## ENERGY MANAGEMENT

ME Elecmetal is continuously working to improve energy efficiency, primarily to reduce greenhouse gas emissions and thereby contribute to the decarbonization efforts of its mining clients.

The Company operates with a mixed energy consumption matrix, with natural gas and electricity representing 56.78% and 41.64%, respectively, of total consolidated energy consumption.

As previously noted, the Rancagua plant in Chile implemented an Energy Management System certified under the ISO 50001 standard, allowing the plant to systematize its energy management, reduce usage, improve controls, and optimize the consumption of both natural gas and electricity, including the exploration of technological alternatives to identify opportunities for replacing natural gas with other fuels.

In the long term, the Company will continue implementing and maintaining the Energy Management System by incorporating the following measures to reduce natural gas consumption:

1. Increasing heat-treatment furnace load capacity from 9 to 11 tons per batch.
2. Reducing reprocessing rates in metallurgical production to below 5%, thereby decreasing energy use associated with defective parts.
3. Replacing electricity with gas for mold drying in the molding process.
4. Reducing gas consumption in the molding process.

Additionally, the Company will explore the use of electric heat treatment and hydrogen generation from electricity as alternatives to replace or reduce natural gas consumption.

In the United States, ME Global Inc. performs regular maintenance on electric arc furnaces to ensure efficiency equal to or greater than that of new installations. In the China plant, a highlight is that a portion of renewable energy consumption comes from on-site solar power generation.

EM-IS 130a.1	2024
TOTAL ENERGY CONSUMED (GJ)*	1.470.884
TOTAL ELECTRICITY CONSUMED (GJ)	612.545
PERCENTAGE OF ENERGY FROM THE GRID (%)	41,51%
PERCENTAGE OF ENERGY FROM RENEWABLE SOURCES (%)**	14,06%

\*: From any source, including energy purchased from external sources and energy produced by the entity itself. For example, direct use of fuel, purchased electricity, heating, cooling, and steam energy.

\*\* : Includes renewable energy produced directly by the entity and renewable energy purchased by the entity.

The variation in relation to the information reported in ME Elecmetal's 2023 Annual Report is due to corrections to the methodology in relation to the SASB standard..

EM-IS 130a.2	2024
TOTAL FUEL CONSUMED	858.339
PERCENTAGE OF COAL IN TOTAL FUEL CONSUMED (%)	0,00%
PERCENTAGE OF NATURAL GAS IN TOTAL FUEL CONSUMED (%)	97,30%
PERCENTAGE OF RENEWABLE FUEL IN TOTAL FUEL CONSUMED (%)	0,00%



## WATER MANAGEMENT

ME Elecmetal's operations are not water-intensive. However, three out of the Company's four plants are located in areas classified as having high water stress risk, according to the World Resources Institute (WRI).

The Rancagua plant in Chile sources its water from wells registered with the Dirección General de Aguas (DGA)—the government agency responsible for regulating and authorizing water abstractions—as well as from the municipal potable water supply. Water is primarily used to replenish evaporation losses, maintain the internal network, cool electric arc furnaces, and recover sand for mold manufacturing.

In the United States, at the Duluth and Tempe plants, water is supplied by municipal utilities, and processes involving water are closely monitored, with corrective actions taken when necessary. A similar setup is in place at the Changzhou plant in China, where water is also supplied by a municipal provider and used mainly for cooling towers and domestic purposes.

EM-IS 140a.1	2024
TOTAL FRESHWATER ABSTRACTION (THOUSANDS OF CUBIC METERS)	116.300
PERCENTAGE OF WATER RECYCLED (%)	98,38%
PERCENTAGE OF WATER WITHDRAWN IN REGIONS WITH HIGH OR EXTREMELY HIGH INITIAL WATER STRESS (%)	32,99%

## WASTE MANAGEMENT

ME Elecmetal promotes a Circular Economy by reducing waste generation through the recovery of its main raw material used in the manufacture of wear parts: metallic by-products, which consist of worn steel parts or products recovered from large-scale mining operations. These parts are recovered through:

- Direct purchases from clients
- Indirect purchases from clients through intermediaries
- Purchases from third parties (e.g., other metallurgical companies and scrap yards).

Greater use of recycled metallic raw materials in the production of new parts reduces the need for virgin raw materials and energy, thus lowering emissions. For this reason, the Company has established buyback contracts for used parts with its clients, thereby promoting circularity.

Since this process generates waste such as slag or discarded sand, various initiatives have been implemented to mitigate their environmental impact.

In Chile, the Rancagua plant has an authorized Waste Management Plan approved by the Regional Health Authority (Seremi de Salud). All activities and processes are governed by established procedures aimed at optimizing the use of raw materials and inputs, as well as including spill control protocols. These measures are designed to prevent and reduce waste generation. As part of its circular approach, the plant recycles discarded sand, ferrous slag, zirconium, and foundry dust from melting furnaces, while also exploring recycling alternatives for wood, packaging, and containers.

In the United States, processes related to waste are managed through monitoring and corrective actions.

In China, the plant recycles packaging containers such as resins, catalysts, and alcohol-based coatings, and has implemented a sand recovery system to reduce residual sand generation. It also subcontracts specialized entities for the recovery of zirconium sand.

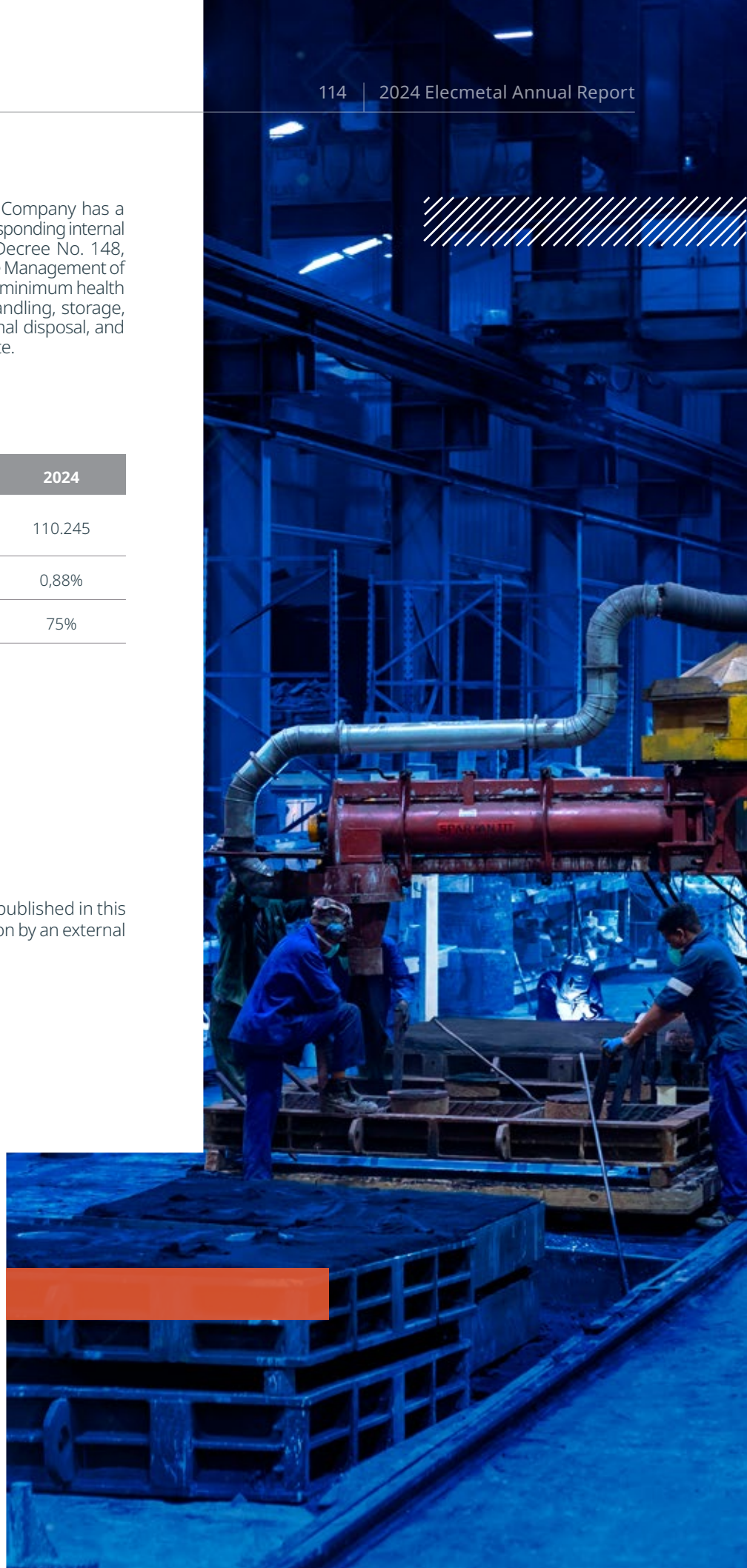
Additionally, it is important to note that the Company has a Hazardous Waste Management Plan with corresponding internal procedures, in accordance with Supreme Decree No. 148, which constitutes the Health Regulation on the Management of Hazardous Waste. This regulation establishes minimum health and safety conditions for the generation, handling, storage, transportation, treatment, reuse, recycling, final disposal, and other elimination methods of hazardous waste.

EM-IS 150a.1	2024
AMOUNT OF WASTE GENERATED (METRIC TONS)	110.245
PERCENTAGE OF HAZARDOUS WASTE (%)	0,88%
PERCENTAGE OF RECYCLED WASTE (%)	75%

## 9.2

# Independent Verification

The sustainability data—SASB indicators—published in this document have not been subject to verification by an external and independent entity.







# 10

Essential or  
Relevant Facts

## ESSENTIAL FACT

**MARCH 1, 2024**

A notice was issued convening the Annual Shareholders' Meeting for April 10, 2024, to be held at Hendaya 60, 15th floor, Las Condes. The agenda includes the following items: Approval of the Annual Report, Financial Statements, and the report of the External Audit Firm for fiscal year 2023; Determination of Board compensation for fiscal year 2024 and the report on Board expenses for fiscal year 2023; Report on the activities and expenses of the Board of Directors' Committee, and determination of its compensation and budget for 2024; Report on the information required under

Title XVI of the Chilean Corporations Law; Appointment of the External Audit Firm; Appointment of Rating Agencies; Determination of the newspaper for publishing corporate notices; Profit distribution and dividend policy; and Other matters of corporate interest within the competence of the Annual Shareholders' Meeting.

Additionally, the Board agreed to propose to the Meeting the distribution of Final Dividend No. 276 in the amount of \$210.30 per share, charged to profits for the fiscal year ended December 31, 2023, to be paid on April 24, 2024.

## ESSENTIAL FACT

**APRIL 10, 2024**

## Resolutions of the Annual Shareholders' Meeting

## 1. ANNUAL REPORT, FINANCIAL STATEMENTS, AND EXTERNAL AUDITORS' REPORT

The Annual Report, Financial Statements, and the report from KPMG Auditores Consultores SpA for the fiscal year ended December 31, 2023, were approved.

## 2. BOARD OF DIRECTORS' COMMITTEE ACTIVITIES AND EXPENSES REPORT

The 2023 management report of the Committee was presented, and its compensation and expense budget for fiscal year 2024 was approved.

## 3. INFORMATION REQUIRED UNDER TITLE XVI OF THE CORPORATIONS LAW

A report was presented on transactions under Title XVI of the Chilean Corporations Law.

## 4. APPOINTMENT OF EXTERNAL AUDIT FIRM

KPMG Auditores Consultores SpA was appointed as the external audit firm for fiscal year 2024.

## 5. APPOINTMENT OF RISK RATING AGENCIES

Fitch Chile Clasificadora de Riesgo Ltda. and Clasificadora de Riesgo Humphreys Ltda. were appointed as rating agencies.

## 6. DESIGNATION OF NEWSPAPER

It was resolved that notices of Shareholders' Meetings will be published in the newspaper "Diario Financiero", and if, due to force majeure, publication is not possible on a specific day, the newspaper "La Segunda" will be used.

## 7. PROFIT DISTRIBUTION FOR 2023

Approval was given for the distribution of profits for fiscal year 2023 and for the payment of Final Dividend No. 276 of CLP 210.30 per share, payable as of April 24, 2024.

## 8. DIVIDEND DISTRIBUTION POLICY

The Dividend Policy for 2023 was approved, agreeing to distribute at least 40% of annual profits as dividends, and allocate the remainder to reserves to support the Company's growth. The Board was also authorized to declare interim dividends charged to the profits of the fiscal year.

## ESSENTIAL FACT

**JUNE 27, 2024**

The Board of Directors resolved to distribute Interim Dividend No. 277 of CLP 74 per share, payable as of July 25, 2024.

## ESSENTIAL FACT

**AUGUST 29, 2024**

The Board of Directors approved modifications to the Company's Policy on Ordinary Course Transactions, which, in accordance with the applicable regulations, became effective as of September 1, 2024. This policy is available to shareholders at the Company's offices and on its website.

## ESSENTIAL FACT

**SEPTEMBER 26, 2024**

The Board of Directors resolved to distribute Interim Dividend No. 278 of CLP 74 per share, payable as of October 24, 2024.

## ESSENTIAL FACT

**NOVEMBER 25, 2024**

On November 24, 2024, the Company announced the passing of Board Member Mr. Alfonso Swett Opazo.

## ESSENTIAL FACT

**DECEMBER 19, 2024**

The Board of Directors resolved to distribute Interim Dividend No. 279 of CLP 74 per share, payable as of January 23, 2025.



11

Comments





## SHAREHOLDERS' COMMENTS

There were no comments or proposals submitted by shareholders and/or the Board of Directors' Committee regarding the conduct of the Company's business.





# 12

## Financial Reports



# Consolidated Financial Statements as of 12.31.2024



**COMPAÑÍA ELECTRO METALÚRGICA S.A.  
AND AFFILIATES**



## **CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED DECEMBER 31, 2024. AND 2023,  
AND THE INDEPENDENT AUDITORS' REPORT.**



## Independent Auditors' Report

### To the Shareholders and Board of Directors of Compañía Electro Metalúrgica S.A.

#### **Opinion**

We have audited the accompanying consolidated financial statements of Compañía Electro Metalúrgica S.A. and affiliates, which comprise the consolidated classified statements of financial position as of December 31, 2024, and 2023 and the related consolidated statements of profit (loss) by function, comprehensive profit (loss), changes in equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the report of the other auditors, such consolidated financial statements present fairly, in all material respects, the financial position of Compañía Electro Metalúrgica S.A. and affiliates as of December 31, 2024, and 2023 and the results of their operations and their cash flows for the fiscal years then ended in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB).

We did not audit the financial statements of the associates Viña Los Vascos S.A. and affiliate and Rayen Curá S.A.I.C., reflected in the consolidated financial statements under the equity method, which together represent total assets of ThCh\$80,554,295 and ThCh\$54,447,292 (4.9% and 3.5%) as of December 31, 2024, and 2023, respectively, and accrued loss of (ThCh\$2,180,078) and (ThCh\$2,856,509), respectively, for the fiscal years then ended. These financial statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for Viña los Vascos S.A. and affiliate and Rayen Curá S.A.I.C., is based solely on the report of such other auditors.

#### **Basis for the opinion**

We conducted our audits in accordance with Generally Accepted Auditing Standards in Chile. Our responsibilities under those standards are described in the paragraphs under "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" in this report. In accordance with the ethical requirements relevant to our audits of the consolidated financial statements, we are required to be independent of Cristalerías de Chile S.A. and affiliates and to comply with other ethical responsibilities in accordance with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide us with a basis for our audit opinion.



### **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS accounting standards issued by the International Accounting Standards Board (IASB). This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or mistake.

In preparing the consolidated financial statements, Management is required to evaluate whether there are facts or circumstances, which taken as a whole, give rise to substantial doubt about the ability of Compañía Electro Metalúrgica S.A. and affiliates to continue as a going concern for at least the next twelve months following the end of the reporting period, but not limited to such period.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high, but not absolute, level of assurance and, accordingly, is not a guarantee that an audit performed in accordance with Generally Accepted Auditing Standards in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, concealment, misrepresentations, or disregard of controls by management. A misstatement is considered material if, individually or in the aggregate, it could influence the judgment of a reasonable user of these consolidated financial statements.

As part of an audit performed in accordance with Generally Accepted Auditing Standards in Chile, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures in response to those risks. Those procedures include examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements.
- We obtain an understanding of internal control relevant to an audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Compañía Electro Metalúrgica S.A. and affiliates' internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall appropriateness of the overall presentation of the consolidated financial statements.
- We conclude whether, in our judgment, there are facts or circumstances that, taken as a whole, cast significant doubt about the ability of Compañía Electro Metalúrgica S.A. and affiliates to continue as a going concern for a reasonable period of time.



We are required to inform to those liable for the Corporate Government, among other matters, the planned timing and scope of the audit, and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during our audit.

KPMG Ltda.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED

EStatements of Financial Position, Classified	Note	31-12-2024	31-12-2023
		ThCh\$	ThCh\$
<b>Current Assets</b>			
Cash and Cash Equivalents	23	55.421.762	72.462.350
Other financial assets, current	34	354.942	97.978
Other non-financial assets, current	24	3.723.062	8.050.419
Commercial and other accounts receivable, current	22	311.250.698	307.094.957
Receivables from related companies, current	37	14.504.232	10.108.325
Inventories	21	438.688.107	384.150.381
Current biological assets	16	13.662.346	12.764.168
Current tax assets	25	23.566.711	17.428.631
<b>Total current assets other than assets or groups of assets held for disposal classified as held for sale or held for distribution to owners</b>		<b>861.171.860</b>	<b>812.157.209</b>
Non-current assets or groups of assets for disposal classified as held for sale or as held for distribution to owners		-	-
<b>Total of Current assets</b>		<b>861.171.860</b>	<b>812.157.209</b>
<b>Non-Current Assets</b>			
Other non-current financial assets	34	1.960.558	2.066.893
Other non-current non-financial assets	24	2.811.630	2.649.073
Commercial and other accounts receivable, non-current	22	140.049	320.595
Investments accounted for by the equity method	18	150.978.893	115.456.190
Intangible assets other than goodwill	15	14.595.441	15.529.629
Goodwill		2.258.267	-
Property, Plant and Equipment	14	548.550.500	549.020.918
Investment property	17	10.733.342	10.021.887
Right-of-use assets	29	9.824.054	10.112.366
Non-current tax assets	25	1.612.907	444.444
Deferred tax assets	20	13.468.324	17.944.626
<b>Total Non-Current Assets</b>		<b>756.933.965</b>	<b>723.566.621</b>
<b>Total assets</b>		<b>1.618.105.825</b>	<b>1.535.723.830</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED

### Shareholders' Equity and liabilities

#### Liabilities

##### Current Liabilities

Other financial liabilities, current	28	209.776.519	166.711.511
Liabilities under current leases	29	3.587.709	2.790.127
Commercial and other accounts payable, current	33	210.521.583	195.515.431
Account payable to Related Entities, current	37	8.497.583	5.877.754
Other provisions, current	32	3.013.882	2.001.868
Current tax liabilities	25	15.543.581	14.140.138
Allowance for employees' benefits, current	30	19.015.407	17.325.680
Other current non-financial liabilities	31	3.335.678	3.181.131
<b>Total current liabilities other than liabilities included in groups of assets held for disposal classified as held for SALE</b>		<b>473.291.942</b>	<b>407.543.640</b>
Liabilities included in groups of assets for disposal classified as held for sale		-	-
<b>Total Current Liabilities</b>		<b>473.291.942</b>	<b>407.543.640</b>

##### Non-Current Liabilities

Other financial liabilities, non-current	28	292.141.088	397.018.011
Liabilities under non-current leases	29	5.205.809	5.538.610
Other account payable, non-current	33	133.582	34.933
Deferred tax liabilities	20	9.872.915	6.261.404
Allowance for employees' benefits, non-current	30	19.341.231	20.832.400
Other non-financial liabilities, non-current	31	8.502.905	7.120.670
<b>Total non-current Liabilities</b>		<b>335.197.530</b>	<b>436.806.028</b>
<b>Total liabilities</b>		<b>808.489.472</b>	<b>844.349.668</b>

#### Shareholders' Equity

	26		
Issued capital		23.024.953	23.024.953
Retained earnings (loss)		476.329.230	436.616.014
Other reserves		115.201.919	58.376.627
<b>Equity attributable to owners of controlling company</b>		<b>614.556.102</b>	<b>518.017.594</b>
Non-controlling interests	40	195.060.251	173.356.568
<b>Total shareholders' equity</b>		<b>809.616.353</b>	<b>691.374.162</b>
<b>Total shareholders' equity and liabilities</b>		<b>1.618.105.825</b>	<b>1.535.723.830</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF PROFIT (LOSS) BY FUNCTION

Statement of profit (loss) by Function	Note	01-01-2024	01-01-2023
		31-12-2024	31-12-2023
		ThCh\$	ThCh\$
<b>Profit (loss)</b>			
Income from ordinary activities	7	1.298.811.330	1.171.430.209
Cost of Sales		(1.018.999.125)	(954.080.527)
<b>Gross profit</b>		<b>279.812.205</b>	<b>217.349.682</b>
Other income, by function	8	2.548.635	7.742.596
Distribution costs		(24.630.257)	(23.117.939)
Administrative expenses		(147.900.824)	(123.582.934)
Other expenses, by function	8	(51.356)	(12.492)
Other profit	9	12.927.812	6.381.621
<b>Profit (loss) from operating activities</b>		<b>122.706.215</b>	<b>84.760.534</b>
Financial income	11	2.757.367	3.125.696
Financial Cost	11	(31.246.261)	(33.220.853)
Impairment losses (impairment gains and reversal of impairment losses) determined in accordance with IFRS 9	22	(2.553.835)	89.346
Participation in earnings (loss) of associates and joint ventures accounted for using the equity method	18	1.786.314	620.905
Exchange profits (losses) in foreign currencies	12	5.515.242	2.207.230
RProfit (loss) for index-linked units	12	(6.482.706)	(2.107.179)
<b>Profit (loss) before taxes</b>		<b>92.482.336</b>	<b>55.475.679</b>
Profit (Expense) for income tax	13	(24.857.786)	(11.315.317)
<b>Profit (loss) from continuing operations</b>		<b>67.624.550</b>	<b>44.160.362</b>
Profit (loss) from discontinuing operations		-	-
<b>Profit (loss)</b>		<b>67.624.550</b>	<b>44.160.362</b>
<b>Profit (loss), attributable to</b>			
Profit (loss) attributable to owners of controlling company	27	66.429.816	47.332.861
Profit / (loss) attributable to non-controlling interests	40	1.194.734	(3.172.499)
<b>Profit (loss)</b>		<b>67.624.550</b>	<b>44.160.362</b>
<b>Earnings per share</b>			
<b>Basic Earnings per share</b>	27		
Basic profit (loss) per share in continued operations		1.516,66	1.080,66
<b>Basic profit (loss) per share</b>		<b>1.516,66</b>	<b>1.080,66</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED COMPREHENSIVE PROFIT / LOSS STATEMENTS

Comprehensive Profit /(Loss) Statement	01-01-2024	01-01-2023
	31-12-2024	31-12-2023
	ThCh\$	ThCh\$
<b>Gain (loss)</b>	<b>67.624.550</b>	<b>44.160.362</b>
<b>Other comprehensive profit / (loss)</b>		
<b>Items of other comprehensive profit (loss) that will not be reclassified to profit or loss for the period, before taxes</b>		
Other comprehensive profit (loss), before taxes, profits (losses) for revaluation	43.192	8.891
Other comprehensive profit (loss) before income tax, gain (loss) from remeasurement of defined benefit plans	(292.824)	(424.909)
<b>Total other comprehensive profit (loss) that will not be reclassified to profit or loss for the period, before taxes</b>	<b>(249.632)</b>	<b>(416.018)</b>
<b>Components of other comprehensive profit (loss) that will be reclassified to profit or loss for the period, before taxes</b>		
Profits (losses) on foreign exchange translation differences, before tax	57.185.834	(3.446.674)
Profits (losses) on cash flow hedges, before tax	(260.235)	(35.134)
<b>Total other comprehensive profit (loss) to be reclassified to profit or loss for the period, before taxes</b>	<b>56.925.599</b>	<b>(3.481.808)</b>
<b>Other items of other comprehensive profit (loss), before income taxes</b>		
Income tax related to remeasurements of defined benefit plans of other comprehensive profit (loss)	79.062	114.725
Income tax related to cash flow hedges of other comprehensive profit (loss)	70.263	9.486
<b>Total other comprehensive profit (loss)</b>	<b>56.825.292</b>	<b>(3.773.615)</b>
<b>Total comprehensive profit/ (loss)</b>	<b>124.449.842</b>	<b>40.386.747</b>
<b>Comprehensive profit / (loss) attributable to:</b>		
Comprehensive profit (loss) attributable to owners of controlling company	123.255.108	43.559.246
Comprehensive profit (loss) attributable to non-controlling interests	1.194.734	(3.172.499)
<b>Total comprehensive profit (loss)</b>	<b>124.449.842</b>	<b>40.386.747</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Statement of Cash Flows (Direct Method)	01-01-2024	01-01-2023
	31-12-2024	31-12-2023
	ThCh\$	ThCh\$
<b>Direct Statements of Cash Flows</b>		
<b>Cash flows from (used in) operating activities</b>		
<b>Types of cash receipts from operating activities</b>		
Proceeds from sales of goods and services	1.494.057.824	1.349.402.502
<b>Types of payments</b>		
Payments to suppliers for supply of goods and services	(1.179.839.430)	(1.035.014.053)
Payments to and on behalf of employees	(163.872.574)	(144.481.896)
Other payments for operating activities	(10.941.788)	(12.263.922)
<b>Net cash flows from (used in) operating activities</b>	<b>139.404.032</b>	<b>157.642.631</b>
Dividends received	119.095	5.083.476
Interest paid	(697.885)	(1.506.175)
Interest received	467.864	1.823.538
Income taxes refunded (paid)	(10.243.166)	(18.111.341)
Other cash inflows (outflows)	3.101.064	6.901.920
<b>Cash flows from (used in) operating activities</b>	<b>132.151.004</b>	<b>151.834.049</b>
<b>Cash flows originating from (used in) investment activities</b>		
Other payments to acquire interests in joint ventures	(17.038.887)	(1.697.542)
Amounts arising from the sale of property, plant and equipment	17.199.799	1.840.861
Purchases of property, plant and equipment	(44.678.000)	(50.662.370)
Purchase of intangible assets	(909.851)	(1.315.579)
Proceeds from other long-term assets	6.091.255	-
Payments under futures, forwards, options and swaps contracts	(3.364.003)	(2.814.462)
Proceeds from futures, forwards, options and swaps contracts	2.878.538	3.389.765
Other cash inflows (outflows)	-	45.549
<b>Cash flows originating from (used in) investment activities</b>	<b>(39.821.149)</b>	<b>(51.213.778)</b>
<b>Cash flows originating from (used in) financial activities.</b>		
Proceeds from the issuance of shares	737	6.497
Proceeds arising from long-term loans	15.000.000	81.817.000
Proceeds arising from short-term loans	325.917.890	337.553.193
<b>Total proceeds from loans, classified as financing activities</b>	<b>340.917.890</b>	<b>419.370.193</b>
Loans from related entities	119.095	139.928
Loan payments	(405.952.490)	(474.803.127)
Payments of loans to related entities	(119.095)	(139.928)
Dividends paid	(18.071.387)	(22.224.638)
Interest paid	(30.548.128)	(26.730.142)
Other cash inflows (outflows)	130.479	(1.535.887)
<b>Net cash flows originating from (used in) investment activities</b>	<b>(113.522.899)</b>	<b>(105.917.104)</b>
<b>Net increase (decrease) in cash and cash equivalents, before the effect of exchange rate changes</b>	<b>(21.193.044)</b>	<b>(5.296.833)</b>
Effects of changes in the exchange rate on cash and cash equivalents	4.152.456	145.726
<b>Net increase (decrease) of cash and cash equivalents</b>	<b>(17.040.588)</b>	<b>(5.151.107)</b>
Cash and cash equivalents at the beginning of the period	72.462.350	77.613.457
<b>Cash and cash equivalents at the end of the period</b>	<b>55.421.762</b>	<b>72.462.350</b>

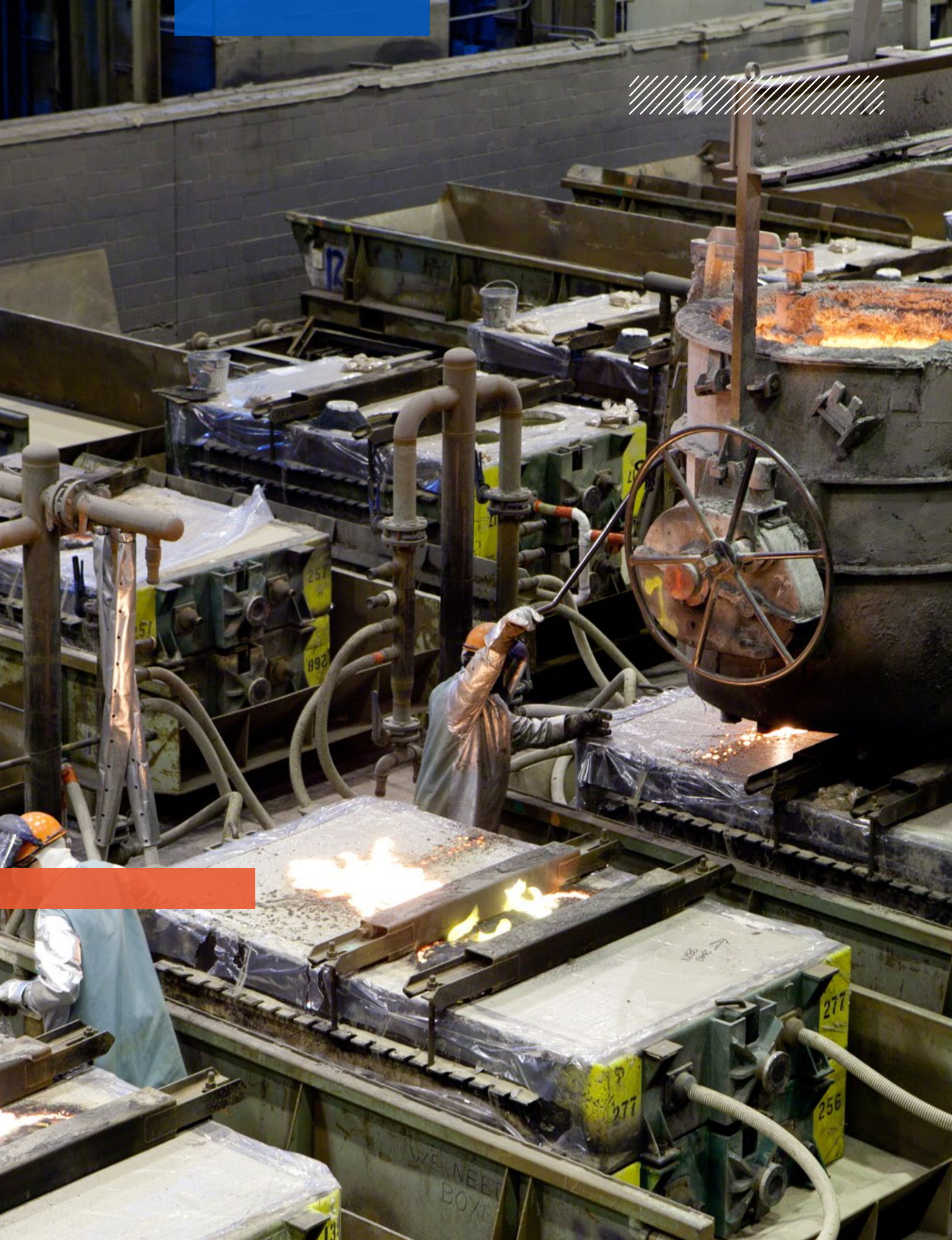
accompanying notes are an integral part of these consolidated financial statements.



## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Issued capital	Reserves for foreign exchange translation differences	Reserves of cash flow hedges	Actuarial profit or loss reserves in defined benefit plans	Other miscellaneous reserves	Other reserves	Retained earnings (loss)	Equity attributable to owners of controlling company	Non-controlling interests	Total shareholders' equity
<b>Initial Balance of Current Period as of 01-01-2024</b>	23,024,953	53,182,837	(167,062)	(4,383,740)	9,744,592	58,376,627	436,616,014	518,017,594	173,356,566	691,374,162
Increase (decrease) due to change in accounting policies										
Increase (decrease) from error corrections										
Restated initial balance	23,024,953	53,182,837	(167,062)	(4,383,740)	9,744,592	58,376,627	436,616,014	518,017,594	173,356,566	691,374,162
<b>Changes in Shareholders' Equity</b>										
Comprehensive Profit/Loss										
Profit (loss)								66,429,816	1,194,734	67,624,550
Other comprehensive profit / (loss)								56,825,292		56,825,292
Comprehensive Profit/Loss								123,255,108	1,194,734	124,449,842
Issue of equity										
Dividends										
Increase (decrease) due to other contributions of owners										
Increase (decrease) for other distributions to owners										
Increase (decrease) for transfers and other changes										
Increase (decrease) from treasury share transactions										
Increase (decrease) due to changes in the ownership interest of subsidiaries that do not imply loss of control										
<b>Total changes in shareholders' equity</b>										
<b>Final Balance of Current Period as of 31-12-2024</b>	23,024,953	57,185,634	(169,972)	(213,762)	43,192	56,825,292	39,713,216	96,638,508	21,703,683	118,242,191
		110,368,671	(357,034)	(4,597,502)	9,787,784	115,201,919	476,329,230	614,556,102	195,060,251	809,616,353
<b>Initial Balance of Current Period as of 01-01-2023</b>	23,024,953	56,629,511	(141,114)	(4,073,556)	9,735,701	62,150,242	408,367,236	493,542,431	183,950,262	677,492,693
Increase (decrease) due to change in accounting policies										
Increase (decrease) from error corrections										
Restated initial balance	23,024,953	56,629,511	(141,114)	(4,073,556)	9,735,701	62,150,242	408,367,236	493,542,431	183,950,262	677,492,693
<b>Changes in Shareholders' Equity</b>										
Comprehensive Profit/Loss										
Profit (loss)								47,332,861	(3,172,499)	44,160,362
Other comprehensive profit / (loss)								3,773,615		(3,773,615)
Comprehensive Profit/Loss								43,559,246	(3,172,499)	40,386,747
Issue of equity										
Dividends										
Increase (decrease) due to other contributions of owners										
Increase (decrease) for other distributions to owners										
Increase (decrease) for transfers and other changes										
Increase (decrease) from treasury share transactions										
Increase (decrease) due to changes in the ownership interest of subsidiaries that do not imply loss of control										
<b>Total changes in shareholders' equity</b>										
<b>Final Balance of Current Period as of 31-12-2023</b>	23,024,953	(3,446,674)	(25,648)	(310,184)	8,891	(3,773,615)	28,248,778	24,475,163	(10,593,694)	13,881,469
		53,182,837	(167,062)	(4,383,740)	9,744,592	58,376,627	436,616,014	518,017,594	173,356,566	691,374,162

The accompanying notes are an integral part of these consolidated financial statements.







# 13

Statement of  
Liability

Los abajo firmantes, en calidad de Directores y Gerente General de Compañía Electro Metalúrgica S.A., Elecmetal S.A., inscripción en el Registro de Valores N° 045, declaran bajo juramento que es veraz la información incorporada en la Memoria Anual 2024 de la sociedad y que es enviada a la Comisión para el Mercado Financiero debidamente firmada por la mayoría de sus Directores.



BALTAZAR SÁNCHEZ GUZMÁN  
PRESIDENTE  
R.U.T. 6.060.760-5



CRISTÓBAL EYZAGUIRRE BAEZA  
VICEPRESIDENTE  
R.U.T. 7.011.690-1



CARLOS F. CÁCERES CONTRERAS  
DIRECTOR  
R.U.T. 4.269.405-3



JOSÉ I. FIGUEROA ELGUETA  
DIRECTOR  
R.U.T. 7.313.469-2



FERNANDO FRANKE GARCÍA  
DIRECTOR  
R.U.T. 6.318.139-0



ALFONSO SWETT SAAVEDRA  
DIRECTOR  
R.U.T. 4.431.932-2



EUGENIO ARTEAGA INFANTE  
GERENTE GENERAL  
R.U.T. 6.374.575-8



