



ESG SUPPLEMENTARY REPORT

Complementary Sustainability Disclosure

Nova Andino Litio SpA

Reporting period: January 1 – December 31, 2025

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SOMOS LITIO, SOMOS FUTURO

About This Report

This supplementary report has been prepared by Nova Andino Litio SpA to provide additional sustainability information and context beyond the company's annual Sustainability Report. It strengthens transparency and consistency in the information disclosed to stakeholders, investors, and sustainability rating agencies.

The scope of this report is limited to the company's offices, operational sites, and production facilities located in Chile — including the corporate office in Las Condes (Santiago), the operations at the Salar de Atacama, and the Carmen Lithium Chemical Plant (Planta Química de Litio Carmen) in the Antofagasta Region.

Unless otherwise indicated, all information refers to the period between January 1 and December 31, 2025, and is based on data verified internally and externally through the company's Integrated Management System.

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1 Corporate Governance

1.1 Directors' Liabilities and Bylaw Amendments under Chilean Law

In Chile, the administrators of a Sociedad por Acciones (SpA), such as Nova Andino Litio SpA (Novandino), cannot limit their legal liability through contractual agreements. Under the current legal framework, administrators are personally — and in some cases jointly and severally — liable for damages caused to the company, its shareholders, or third parties when acting with willful misconduct or gross negligence. This liability is based on the Commercial Code and, subsidiarily, on Law No. 18,046 on Corporations.

Furthermore, Law No. 20,393 establishes the criminal liability of legal entities for certain offenses committed for their direct or indirect benefit. This law holds accountable the owners, controllers, principal officers, legal representatives, or those who perform management or supervisory functions.

Additionally, Law No. 21,595 on Economic Crimes, in force since August 2023, expands the catalog of economic offenses and establishes aggravated penalties when these are committed by individuals with decision-making power or influence within a company, including directors.

Likewise, Article 470 No. 11 of the Chilean Criminal Code defines the crime of disloyal administration, sanctioning any person who, being entrusted with the management of another's assets, causes harm by abusing their powers or acting contrary to the interests of the asset's owner.

1.1.1 Amendment of Bylaws in a SpA in Chile

In Chile, pursuant to Article 427 of the Commercial Code, the bylaws of a Sociedad por Acciones (SpA), such as Nova Andino Litio SpA (Novandino), may be amended in two ways:

- By resolution of the shareholders' meeting, which must be recorded in minutes and then notarized or formalized as a public deed.
- Without holding a meeting, if all shareholders sign a public deed or a notarized private instrument reflecting the amendment.

In both cases, an extract of the document must be registered in the Commercial Registry and published in the Official Gazette, as required by law.

2 Waste & Pollutants

2.1 Waste Management Programs

2.1.1 Waste Management Assessment and Monitoring

Each month, we conduct a structured assessment of waste management across our sites, reviewing waste quantities and types, management routes, entries to and exits from waste storage areas, final disposal certificates, and regulatory reporting information. This review is complemented by on-site verifications and local records, enabling the identification of discrepancies and opportunities for improvement. Results, gaps, and related actions are analyzed and monitored through the Circularity Working Group, a periodic forum where progress, barriers, and opportunities are reviewed to strengthen waste prevention, reuse, recycling, and valorization.

3 Climate Strategy

3.1 Climate Scenarios and Prospective Analysis

Novandino conducts scenario analyses to assess the physical risks derived from climate change and their potential impact on operations at the Salar de Atacama and the Carmen Lithium Chemical Plant (PQLC).

In 2024, the company updated its scenario study in collaboration with the Center for Climate and Resilience Research (CR2) and Cambio Global UC, using CMIP6 global circulation models and the CR2Met v2.5 product for bias correction. This analysis aims to anticipate the potential physical effects of climate change on operations, support adaptation planning, and guide the long-term management of operational and environmental risks at the Salar de Atacama and PQLC.

Oversight of the scenario analysis is under the Sustainability Management team, which reports its results and findings to the Sustainability, Health, Safety, and Environment Committee. This committee advises senior management on the governance of climate-related risks and opportunities and reviews progress on adaptation plans.

The analysis considered two main scenarios: one global climate scenario (SSP5-8.5) and another specific to the Salar de Atacama basin focused on water availability.

Climate Scenarios Considered

Variable	Scenario	Associated SSP	Type of analysis	Scenario coverage	Risks considered	Temperature alignment	Base year	Time horizons
Climate change (high)	RCP 8.5	SSP5	Quantitative	Salar and PQLC operations	Acute and chronic physical risks; regulatory risks	≥ 4 °C	2005	2030 / 2050 / 2100
Local water availability	Hydrogeological scenario of the Salar de Atacama	—	Quantitative	Salar de Atacama basin	Acute and chronic physical risks; interaction between freshwater and brine	—	2020	2030 / 2060 / 2100

Scenario Assumptions, Uncertainties, and Rationale

Scenario	Assumptions, uncertainties, and limitations	Rationale for use
RCP 8.5 – SSP5	Assumes continued emissions and limited mitigation, intensifying both chronic and acute physical risks. Uncertainties relate to the frequency and intensity of extreme events and to the challenge of translating global projections to local scale.	Enables examination of a “worst-case” scenario, useful for estimating the most severe impacts on productivity, water availability, and worker exposure.
Hydrological scenario (Salar de Atacama)	Based on hydrogeological modeling of the basin, considering current recharge-discharge balances and real-time monitoring. Main uncertainties relate to aquifer complexity and the interaction between freshwater layers and brine.	Evaluates potential effects of brine extraction on associated ecosystems (lagoons, wetlands, and vegas) and supports adaptive water-resource management.

Key Results of Local Projections (SSP5-8.5, 2040–2060)

Variable	Unit	Salar de Atacama	Salar del Carmen	Interpretation
Average temperature	°C	+1.86 °C (15.94 → 17.80)	+1.54 °C (15.24 → 16.78)	Sustained increase in mean temperature toward mid-century.
Annual precipitation	mm/year	18.69 → 10.69 (–42.8 %)	No significant change	Decrease in rainfall and increased aridity.
Heat waves	Events/year	Higher frequency and persistence	Moderate increase	Thermal risk for workers and operations.
Cold waves	Events/year	Lower frequency	Lower frequency	Reduction in frosts and less extreme variability.
Dry spells	Days between rain > 1 mm	670 → 555	No relevant change	Persistent arid conditions; sporadic rainfall.
Maximum winds	—	No robust conclusions (few long-term records)	—	Requires strengthening of monitoring network.

During 2025, Novandino will continue strengthening its climate and hydrogeological monitoring, updating its predictive models and integrating them into the corporate risk-assessment process. This continuous-improvement approach allows the company to adjust its adaptation strategies based on new scientific evidence and observed local conditions in the Salar de Atacama.

3.2 Climate Change Adaptation

Novandino has an overarching framework to address the physical risks associated with climate change, integrated into the company's environmental and operational management systems.

This framework guides the identification and management of acute and chronic risks—such as temperature increase, extreme weather events, and water scarcity—and supports long-term planning to strengthen the resilience of its operations.

Although the adaptation plan is corporate, its implementation is context-specific across Novandino's main operations.

At the Salar de Atacama and the Lithium Chemical Plant Carmen (PQLC), site-level monitoring systems track key climatic and operational variables, including greenhouse gas emissions, water use, and energy efficiency.

This allows early detection of climate-related variations and supports decision-making for adaptation measures such as water-use optimization, brine management improvements, infrastructure resilience, and ecosystem restoration.

The effectiveness of these measures is reviewed annually by the Sustainability and HSE Committees, ensuring continuous alignment between climate adaptation, risk management, and long-term operational goals.

3.3 Internal Carbon Pricing

Novandino applies an internal shadow carbon price of USD 15 per ton of CO₂e, established by its parent company, Sociedad Química y Minera de Chile S.A., as part of the corporate climate strategy.

This internal carbon price is available as a tool to assess the financial implications of greenhouse gas emissions and to support investment and risk management analyses.

The mechanism incorporates a hypothetical cost of carbon into financial and strategic planning models, enabling the company to anticipate potential regulatory costs and to identify cost-effective emission reduction opportunities.

It is primarily considered for Scope 1 and Scope 2 emissions and contributes to:

- Evaluating the cost–benefit of mitigation projects and energy efficiency initiatives.
- Strengthening the integration of climate-related risks and opportunities into decision-making processes.

- Supporting the company's progress toward its 2031 science-based targets.

This approach enables Novandino to anticipate the potential economic exposure of its carbon footprint under various regulatory and market scenarios. In practice, the internal carbon price supports selected investment and project evaluation processes, ensuring that financial decisions incorporate the potential costs of carbon and promote low-carbon strategies.

The application of the internal shadow carbon price is not mandatory across all investment and project evaluation processes; rather, it is used as an optional decision-support tool where relevant to assess potential carbon-related financial implications and support climate-informed decision-making.

3.4 Net-Zero and Climate Transition Plan

Novandino is developing a climate transition plan as part of its broader climate strategy, based on its near-term science-based targets, which were submitted and officially validated by the Science Based Targets initiative (SBTi), and strengthening alignment with a pathway consistent with limiting global warming to 1.5°C. The plan is intended to guide mitigation, adaptation and resilience actions across the company's operations, considering both transition and physical climate risks.

The transition plan focuses on documented decarbonization levers already embedded in Novandino's climate-related management approach, including process efficiency, electrification, renewable thermal energy, renewable electricity through power purchase agreements (PPAs), carbon capture and utilization, low-carbon inputs and services, and project innovation. These actions are mainly linked to Scope 1 and Scope 2 emissions, as well as selected Scope 3 emissions across the value chain.

Novandino recognizes that some operational systems, particularly thermal systems, boilers and dryers, continue to depend on fossil fuels because the required alternatives are not yet fully available or mature for all operational needs. For this reason, the company's approach prioritizes feasible energy-efficiency projects, electrification of mobile and stationary equipment, switching to lower-emission fuels, renewable thermal energy for process heating and steam generation, and the evaluation of CO₂ capture and utilization from fixed sources. Renewable electricity initiatives include new and renewed renewable PPAs and on-site generation where feasible.

The plan also considers selected Scope 3 and value-chain dimensions through engagement with suppliers to source lower-carbon inputs, prioritize geographically closer sources and encourage decarbonization commitments; collaboration with maritime shipping providers; and partnerships with customers to support long-term decarbonization goals. These actions are complemented by product-related due diligence, life cycle assessments, product carbon footprint information and alignment with evolving international requirements such as client ESG questionnaires, IRMA, EcoVadis and Science Based Targets. These mechanisms support transparency, market access and the continuous improvement of sustainability performance across the value chain.

Stakeholder engagement is an important component of the transition approach. Novandino collects and responds to climate- and sustainability-related expectations through Investor Relations, customer due diligence processes, community engagement mechanisms and Indigenous consultation

processes where applicable. These channels help the company understand stakeholder expectations and incorporate relevant climate, environmental and social considerations into planning.

Novandino also participates in the UN Global Compact, Acción Empresas, Consejo Minero and the International Lithium Association (ILiA), engaging with industry peers and other stakeholders on climate change, decarbonization and broader sustainability challenges. These platforms provide opportunities for knowledge sharing, collaboration and the exchange of industry practices. Additionally, Novandino's SBTi-validated targets provide a science-based framework for its decarbonization efforts.

Novandino is progressively assessing the social implications of its climate transition plan from a just transition perspective, partly in response to increasing stakeholder and customer inquiries on this topic. To date, no major direct social implications have been identified. Potential impacts are primarily associated with suppliers of production inputs, particularly those that may be affected by changes in sourcing requirements and the transition toward lower-carbon materials. However, these suppliers are not based in the local communities surrounding Novandino's operations. The assessment remains under development, and corresponding actions will be defined as relevant impacts are identified.

The climate transition plan is also connected with adaptation and resilience objectives. These include strengthening infrastructure resilience, business continuity and emergency preparedness, improving water-use efficiency, monitoring physical climate variables, and integrating biodiversity and water-related considerations into climate planning. In particular, biodiversity and natural capital are being progressively incorporated as strategic matters due to the ecological sensitivity of the Salar de Atacama and the relevance of ecosystem services for operational continuity.

At this stage, Novandino has not disclosed a quantified investment or funding target specifically dedicated to the implementation of the transition plan. However, climate-related considerations are progressively integrated into risk management, project evaluation and investment analysis through tools such as internal carbon pricing, scenario analysis and the assessment of mitigation and adaptation measures.

4 Biodiversity

4.1 Biodiversity Risk Assessment

4.1.1 Process Description

Novandino has completed a biodiversity risk assessment as part of the TNFD LEAP process (*Locate, Evaluate, Assess*). This assessment applied a location-specific approach, focusing on direct operations in the Salar de Atacama and the Carmen Lithium Chemical Plant (PQLC), while also considering upstream supply chain dependencies (critical raw materials and inputs), and downstream sites of the SQM group such as Dixin (China) and Puerto Angamos (Chile), which are relevant for processing and logistics but are not part of Novandino.

The evaluation followed internationally recognized methodologies and frameworks, including the TNFD LEAP guidance and Novandino's Enterprise Risk Management framework, ensuring consistency with best practices in the mining sector.

The biodiversity risk assessment was integrated into Novandino's multidisciplinary risk management processes, aligning biodiversity-related findings with broader environmental, social, regulatory, and reputational risk reviews. This integration allows the company to manage biodiversity risks in coherence with corporate decision-making and sustainability strategies.

The process explicitly considered both dependency-related biodiversity risks (such as reliance on groundwater availability, local climate regulation, and biomass provision) and impact-related biodiversity risks (such as potential changes in water quality due to brine–freshwater mixing, habitat sensitivity in the Salar de Atacama, and non-GHG air emissions).

Through this approach, Novandino identified six priority risks, including reputational, liability, policy, physical, and operational risks, and complemented the analysis with an initial portfolio of opportunities to strengthen biodiversity protection and ecosystem resilience.

4.1.2 Scope of Biodiversity Risk Assessment

Novandino's biodiversity risk assessment covers its direct operations and relevant interfaces with nature across the value chain. The assessment considers both location-specific ecological sensitivity and the significance of nature-related dependencies, impacts and risks.

The scope includes:

- **Direct operations:** The Salar de Atacama, the Carmen Lithium Chemical Plant (PQLC), and Dixin (China). The assessment considered biodiversity sensitivity, ecosystem integrity, physical water risk and key impact drivers associated with each location, including water use, brine extraction, non-GHG air emissions and operational disturbance.

- **Adjacent areas:** Ecosystems and biodiversity-sensitive areas surrounding Novandino’s operations, particularly those associated with the Salar de Atacama basin and PQLC. The assessment considers potential interactions between operations, water availability and quality, habitat condition, threatened species and nearby sensitive ecosystems.
- **Upstream value chain:** Potential nature-related impacts and dependencies associated with critical raw materials and production inputs. Upstream hotspotting identified priority materials and activities, including vegetal oil, calcium chloride and calcium oxide, based on potential impacts associated with agricultural production, quarrying and manufacturing. The assessment has not yet identified specific geographic priority locations at supplier level.
- **Downstream value chain:** Relevant processing, logistics and distribution activities associated with Novandino’s products. Puerto Angamos was included in the broader TNFD assessment because it supports the logistics of part of Novandino’s production, although it is not operated by Novandino.

Through this scope, Novandino considers biodiversity-related dependencies and impacts both within its operational footprint and across relevant value-chain interfaces, providing the basis for identifying priority locations and assessing how nature-related issues may translate into risks and opportunities.

4.1.3 Priority Locations

As part of the TNFD LEAP Locate phase, Novandino assessed the sensitivity of locations across its operations and relevant downstream value chain. Locations were prioritized based on multiple location-specific indicators, including biodiversity importance, ecosystem integrity, physical water risk and the importance of ecosystem service provision. The overall sensitivity classification reflects the highest-scoring indicator and is largely influenced by the geographical and environmental characteristics of each location.

The assessment identified the following priority locations:

Priority Locations Identified Through the TNFD LEAP Locate Phase

Priority location	Value chain stage	Sensitive location	Sensitivity level	Main basis for prioritization
Salar de Atacama	Direct operations	Yes	Very High	Biodiversity importance, high ecosystem integrity, very high physical water risk, and substantive impacts and dependencies associated with water and brine extraction
PQLC	Direct operations	Yes	Very High	Proximity to biodiversity-sensitive areas, high ecosystem integrity and very high physical water risk

Dixin, China	Direct operations	Yes	High	Physical water risk and nature-related impacts; comparatively lower biodiversity sensitivity due to its urban/industrial setting
Puerto Angamos	Downstream value chain	Yes	Very High	Biodiversity sensitivity, ecosystem considerations and very high physical water risk

These classifications reflect the sensitivity of the locations rather than the actual magnitude of Novandino’s operational impacts or its residual nature-related risks. They are primarily driven by geographical and environmental factors and do not account for the full effect of existing operational controls and mitigation measures. Such measures must be considered separately when determining residual risk. Therefore, a Very High location sensitivity classification does not necessarily imply an equivalent level of residual risk.

The TNFD *Locate* assessment classified all four locations as having High or Very High sensitive-location scores. PQLC, Puerto Angamos and Salar de Atacama received Very High scores, while Dixin received a High score and showed comparatively lower overall sensitivity, consistent with its urban and industrial setting.

The subsequent Evaluate phase identified water use and brine extraction as key nature-related impact and dependency drivers at Salar de Atacama, providing additional operational context to the location sensitivity results.

For the upstream value chain, Novandino has conducted activity- and material-level hotspotting under the Evaluate phase, rather than geographic priority-location identification. This assessment identified vegetal oil, calcium chloride and calcium oxide as priority material inputs due to the potential nature-related impacts associated with agricultural production, quarrying and manufacturing.

4.1.4 Risks Identified

As part of the TNFD LEAP Assess phase, Novandino identified and prioritized biodiversity-related risks through a structured evaluation process, aligned with the company’s Enterprise Risk Management framework. From an initial long list of approximately 40 risks, six were prioritized as most relevant:

Priority Biodiversity Risks Identified

Risk Type	Sub-category	Description
Transition risks	Reputation	Negative public perception due to biodiversity impacts, particularly associated with the Salar de Atacama ecosystem.

Risk Type	Sub-category	Description
Transition risks	Policy	Enhancement of existing regulations related to infringement or proximity to protected species and biodiversity areas.
Transition risks	Liability	Legal disputes following biodiversity-related impacts and consultations with Indigenous communities.
Physical risks	Acute	Reduced water availability, affecting brine extraction thresholds and ecosystem services in the Salar de Atacama.
Physical risks	Chronic	Reduced production efficiency due to reliance on local climate regulation, as shifts in precipitation and evaporation cycles disrupt brine concentration processes.
Physical risks	Chronic	Reduced water quality due to brine–freshwater mixing in the Salar de Atacama, with potential community and environmental implications.

These risks are primarily driven by water and brine extraction dependencies in the Salar de Atacama, which represent the main link between Novandino’s operations and biodiversity.

4.2 Biodiversity Commitment

Novandino has established a comprehensive framework to manage biodiversity-related risks and dependencies. The foundation of this framework is the Environmental Compliance Strategy, which ensures strict observance of applicable regulations across all lithium and potassium operations. The strategy defines clear procedures for identifying and updating applicable environmental requirements on a monthly basis, with independent annual audits carried out by external entities. It also sets mechanisms for managing gaps, findings, and contingencies, including those related to flora, fauna, and cultural heritage, ensuring timely correction and traceability. Compliance status is made publicly available through a dedicated platform, while a culture of compliance is promoted through training programs, continuous monitoring, and both internal and external audits.

Building on this foundation, the company’s Corporate Sustainability Policy, approved by the Board of Directors in November 2024, extends commitments beyond legal requirements. The policy recognizes biodiversity as a central element of Novandino’s environmental management and commits to applying the mitigation hierarchy (avoid, minimize, restore, compensate), avoiding operations in globally and nationally critical biodiversity areas such as UNESCO World Heritage Sites, IUCN I–III protected areas, and UNESCO Biosphere buffer zones, and engaging with Indigenous communities and other stakeholders through culturally appropriate processes. It also declares alignment with international standards such as IRMA, IFC Performance Standards, OECD Guidelines, and the UN Sustainable Development Goals, and specifically supports Target 15 of the Global Biodiversity Framework, while not yet defining quantitative biodiversity-related targets.

Both instruments are reinforced by ISO 14001:2015 certification, which covers brine extraction at the Salar de Atacama and production at the Carmen Lithium Chemical Plant (PQLC). This certification confirms that Novandino maintains a robust environmental management system designed for continuous improvement and systematic risk management.

Together, the Environmental Compliance Strategy, the Sustainability Policy, and the international certification constitute a coherent framework that combines legal compliance assurance with a vision that goes beyond regulatory requirements. This framework enables Novandino to conduct biodiversity risk assessments, apply mitigation measures, engage stakeholders, and extend commitments across its own operations, suppliers, and partners, disclosing its priorities transparently to stakeholders. At present, the company has not made a public commitment to Net Positive Impact (NPI), nor has it established quantitative no net loss targets.

4.3 Biodiversity Mitigating Actions

Novandino applies the mitigation hierarchy to address its biodiversity-related impacts and dependencies, in line with international frameworks such as GRI, CSRD, and TNFD. This approach prioritizes actions to avoid impacts, followed by measures to reduce, regenerate, restore, and, where possible, transform operations to align with long-term sustainability goals. The following sections detail how these principles were applied in 2024 across Novandino's direct operations in the Salar de Atacama (SdA) and the Carmen Lithium Chemical Plant (PQLC).

4.3.1 Avoid

The following actions reflect Novandino's approach to avoiding biodiversity impacts, focusing on siting decisions, regulatory restrictions, and proactive exclusion of sensitive ecosystems. These measures ensure that operations do not expand into unauthorized zones or biodiversity-sensitive areas, particularly in locations identified as having very high ecosystem integrity and proximity to protected sites.

Biodiversity Mitigation Actions: Avoid

Site	Actions
Common (SdA & PQLC)	• Corporate Sustainability Policy prohibits operations in UNESCO World Heritage Sites, Ramsar wetlands, IUCN I–III protected areas, and UNESCO Biosphere buffer zones. • Environmental Compliance Strategy and ISO 14001 certification ensure systematic identification of risks, full compliance with regulations, and avoidance of impacts.
Salar de Atacama (SdA)	• Extraction restricted to Authorized Extraction Areas (AAE) as defined in RCA 226/2006, avoiding brine pumping outside permitted zones. • Operations located outside human settlements, avoiding risks of community displacement. • Preventive siting and zoning measures ensure no expansion into adjacent non-approved zones, even in areas of high ecosystem integrity and water risk.

Site	Actions
Carmen Lithium Chemical Plant (PQLC)	• Avoidance reinforced due to proximity to sensitive biodiversity sites: Sistema Hidrológico de Soncor (7.6 km), Los Flamencos National Reserve (14.6 km), Tebinquinche Sanctuary (33 km), and Valle de la Luna/Sierra de Orbate (48.7 km). • Facility located in an industrial zone ~20 km east of Antofagasta, away from highly sensitive habitats. • Despite being in an industrial zone, preventive measures are maintained due to proximity (9.2 km) to La Chimba National Reserve (IUCN IV)¹. • Plant design and permits aligned with avoidance of impacts on nearby protected areas.

4.3.2 Reduce

The following actions reflect Novandino's efforts to reduce unavoidable biodiversity and environmental impacts. These measures include efficiency improvements, reduction targets, and continuous monitoring to minimize pressures on ecosystems and natural resources.

Biodiversity Mitigation Actions: Reduce

Site	Actions
Common (SdA & PQLC)	• Corporate Sustainability Policy and Environmental Compliance Strategy promote continuous improvement in resource efficiency and emissions control. • Company-wide targets to reduce continental water extraction by 40% by 2030 and 65% by 2040, with zero use planned from 2031 onwards (Sustainability Report 2024).
Salar de Atacama (SdA)	• Progressive reduction of brine and continental water extraction in line with corporate targets (-50% brine by 2028; -40% freshwater by 2030; -65% by 2040), supported by wastewater reuse. • Monitoring and conservation program for algarrobo populations (<i>Prosopis</i> sp.), including soil moisture plots and restoration measures in Camar (2024). • Implementation of vegetation, flora, and fauna monitoring systems (reptiles, mammals, flamingos, aquatic birds) at SdA's eastern border and surrounding lakes (Soncor, Peine, Quebrada de Camar). • Implementation of meteorological monitoring network (e.g., El Tatio, Cordillera de la Sal, Domeyko, etc.) to inform adaptive water management. • Plan for erosion and soil compaction prevention, with machinery transit restrictions in sensitive areas and best practices in construction sites.

¹ This measure is mainly related to facility siting and regulatory compliance, with indirect biodiversity benefits.

Site	Actions
	• Comprehensive program for control of invasive and domestic animals, including internal regulations prohibiting feeding or introduction of domestic animals into operational areas, awareness campaigns such as Misión Adopción to promote responsible pet ownership, deterrents against incursions, disciplinary measures in case of non-compliance, and restrictions designed to protect native fauna. • Waste management practices with sealed containers and controlled access to avoid attracting wild or domestic animals into operational areas. • Perimeter fencing and access controls to prevent entry of unauthorized people or animals into sensitive areas. • Use of sound deterrents in proximity to water bodies to minimize disturbance and predation risks for bird species. • Environmental training programs through the SQM Aprende platform, including modules on wildlife protection and invasive species control.
Carmen Lithium Chemical Plant (PQLC)	• Water sourced mainly from third parties (desalination and treatment plants) to avoid additional stress on local aquifers. • Operation of the Solution Recovery Plant (PRS) in 2024, recovering 33 l/s of water, equivalent to 47% of plant intake, reducing freshwater dependency. • Air quality monitoring station at Salar del Carmen, measuring particulate matter and atmospheric conditions, with public disclosure of data. • Implementation of waste minimization measures in line with ISO 14001 requirements. • Groundwater infiltration monitoring through dedicated wells to prevent contamination risks.

4.3.3 Regenerate

Novandino's regenerative actions are primarily associated with community-linked initiatives in the Salar de Atacama.

Biodiversity Mitigation Actions: Regenerate

Site	Actions
Common (SdA & PQLC)	No specific initiatives reported.
Salar de Atacama (SdA)	• Conservation program for algarrobo trees and community-linked monitoring of vegetation and flora to support regeneration of desert ecosystems.
Carmen Lithium Chemical Plant (PQLC)	No specific initiatives reported.

4.3.4 Restore

Novandino has documented restoration-related measures primarily linked to its operations in the Salar de Atacama, in line with environmental permits and voluntary commitments.

Biodiversity Mitigation Actions: Restore

Site	Actions
Common (SdA & PQLC)	Progressive rehabilitation and reconfiguration of areas intervened, including secure removal of infrastructure and waste to allow ecosystem recovery.
Salar de Atacama (SdA)	- Environmental permit RCA 226/2006 includes obligations for monitoring and restoration of vegetation, groundwater, and species affected by operations. - Potable water project in San Pedro de Atacama (CAPRA), which delivered a 32 l/s well to restore access to safe drinking water for local communities, reinforcing ecosystem service provision. - Contingency Plan for sensitive ecosystems (Soncor, Peine, Aguas de Quelana, Vega Tilopozo), defining thresholds and early actions to restore environmental balance in case of deviations. - Complementary study of the East Border, Soncor, Peine, and Tebinquinche lagoons, focusing on microbial ecosystems and aquatic dynamics (with University of Miami, Universidad Católica del Norte, and FisioAqua SpA). - Species conservation programs such as the Altoandino flamingo program, aligned with national and international biodiversity commitments.
Carmen Lithium Chemical Plant (PQLC)	No specific initiatives reported.

4.3.5 Transform

Novandino has reported transformative commitments during 2024 and 2025 that go beyond compliance and operational reduction, reshaping its long-term approach to biodiversity and water management.

Biodiversity Mitigation Actions: Transform

Site	Actions
Common (SdA & PQLC)	Integration of the TNFD LEAP methodology (Locate, Evaluate, Assess) into corporate biodiversity risk management, aligning operations with international frameworks (GRI, CSRD, TNFD).

Site	Actions
Salar de Atacama (SdA)	• Long-term commitment to completely eliminate continental freshwater use by 2060, a systemic change in how lithium is extracted in arid ecosystems (Sustainability Report 2024).
Carmen Lithium Chemical Plant (PQLC)	No specific initiatives reported.

5 Community Relations

5.1 Social Mine Closure Programs

5.1.1 Social Baselines

In accordance with Supreme Decree No. 40, which approves the Regulation of the Environmental Impact Assessment System, every environmental assessment must incorporate a baseline that describes in detail the project or activity's area of influence, considering the relevant attributes of the territory, its current situation, and, where applicable, its possible evolution without the execution of the project.

In the case of the human environment, the regulation requires addressing five dimensions: geographic, demographic, anthropological, socioeconomic, and basic social well-being. The anthropological dimension must include ethnic and cultural characteristics of the population, as well as the manifestations of culture such as ceremonies, festivals, and local traditions.

When human groups belonging to Indigenous Peoples are involved, the baseline must also emphasize the following aspects: use and value of natural resources; cultural practices; organizational structures; forms of environmental appropriation; cultural heritage; group identity; system of values; community rituals; and symbols of group belonging.

These elements collectively describe the relationship of Indigenous communities with their territory, worldview, and sociocultural organization, in line with Article 18(e.10) of Supreme Decree No. 40.

Carmen Lithium Chemical Plant (PQLC)

As part of the Environmental Impact Declaration for the project "Capacity Increase and Optimization of Lithium Plant Carmen Production" (2021), approved by Environmental Qualification Resolution No. 202202001223 of the Environmental Evaluation Commission of the Antofagasta Region, a social baseline confirmed that the La Negra Industrial District is an uninhabited area with no sites of cultural significance. Nearby census localities such as Estación Uribe, Salar del Carmen, and Baquedano showed minimal population, mostly linked to the Antofagasta Penitentiary Compliance Center. The evaluation ruled out significant community impacts, limiting effects to increased vehicular traffic on regional routes, with no risks of resettlement or livelihood changes.

Salar de Atacama – Current operation

The Environmental Impact Assessment "*Changes and improvements to mining operations in the Salar de Atacama*" (2005), approved by Environmental Qualification Resolution No. 226/2006 of the Regional Environmental Commission (COREMA) of Region II, developed a social and cultural baseline that characterized Atacameño communities in San Pedro de Atacama, including Toconao, Socaire, Peine, Talabre, and Camar. Differences were noted among them: Toconao with strong agricultural and artisanal activity, Socaire with greater socioeconomic vulnerability and depopulation, and Peine

with closer integration to mining. Archaeological surveys identified minor remains without cultural significance. As the facilities are located in the salar's core, no resettlement risks were identified, and traditional livelihoods were addressed through monitoring and community engagement plans.

Salar de Atacama – Extraction Reduction Plan (under evaluation)

The Environmental Impact Assessment for the “Extraction Reduction Plan in the Salar de Atacama” (2022), submitted as a modification of RCA No. 226/2006 and currently under evaluation, included updated social baselines prepared with Atacameño communities such as Talabre and Camar. Methods included census surveys, key informant interviews, participatory mapping, and ethnographic fieldwork, confirming the relevance of herding, agriculture, ancestral cultural practices, and emerging community tourism. In Talabre, the baseline highlighted the role of ravines, water sources, and pastures in cosmovision and pastoral systems, while in Camar, it documented community organization and land use. The project does not foresee physical or economic resettlements but recognizes the need to integrate Indigenous livelihoods into monitoring and community engagement measures.

5.1.2 Mine closure planning prior to mine development

Mine closure planning is a legal requirement in Chile and must be addressed before mining activities begin. Law No. 20.551 on the Closure of Mining Operations and Facilities establishes that every company must prepare a closure plan consistent with its Environmental Qualification Resolution (RCA), binding and fully executable by the operator. Article 8 of the law requires approval by the National Geology and Mining Service (SERNAGEOMIN) prior to exploration, exploitation, or operation.

Supreme Decree No. 41 reinforces this by requiring closure plans at the conceptual engineering stage, detailing technical measures, risk assessments, costs, financial guarantees, and community outreach, to ensure stability and protection of people and the environment. Plans must be updated and audited every five years, and financial guarantees maintained throughout the life cycle.

In compliance with this framework, Novandino has approved closure plans for all operating sites: the Salar de Atacama (Resolution Exempt No. 1381, August 9, 2022) and the Carmen Lithium Chemical Plant – PQLC (Resolution Exempt No. 1342, August 5, 2022). These plans are periodically updated, audited, and include financial guarantees as well as progressive closure measures.

Beyond compliance, Novandino incorporates social transition components, supporting education, culture, health, and employment in nearby Atacameño communities, and aligns its practices with international sustainability standards such as IRMA, strengthening its commitment to responsible and transparent long-term management of lithium operations.

5.1.3 Social closure impact assessment in the run-up to closure

In Chile, Law No. 19.300 on Environmental Bases and its regulatory framework (Decree No. 95/2001) establish mechanisms to ensure informed citizen participation within the Environmental Impact Assessment (EIA) system. These regulations require that projects subject to the EIA provide opportunities for communities and organizations to access information, submit observations, and influence the evaluation process when projects may generate environmental burdens or impacts.

For the Carmen Lithium Chemical Plant (PQLC), the Environmental Impact Declaration was published for public review; however, no requests for a participation process were submitted within the legal deadline (Article 30 bis, Law 19.300).

For the Salar de Atacama operation, the EIA included a formal Citizen Participation Program coordinated by the Regional Environmental Commission (COREMA). Three citizen observations were submitted during the process and were considered in the official evaluation documents.

In addition, the Plan de Reducción de Extracciones en el Salar de Atacama (submitted in January 2022) triggered a formal Indigenous Consultation Process (PCPI) under ILO Convention 169, involving the Atacameño communities of Camar, Toconao, Socaire, Talabre, and Peine. The process focused on potential impacts to ancestral territory, mobility, and cultural heritage, and concluded in 2025 with agreements that included mitigation, monitoring, and compensation measures.

5.1.4 Closure-focused stakeholder engagement

Chilean legislation requires that mine closure plans incorporate mechanisms for community outreach and participation. Law No. 20.551 and Supreme Decree No. 41 mandate that closure plans include programs to inform affected populations about closure measures and timelines. In addition, Law No. 19.300 and its regulations establish citizen participation processes in environmental assessments, while ILO Convention 169 requires Indigenous Consultation when projects may directly affect Indigenous peoples.

In compliance with these requirements, Novandino has approved closure plans for both the Salar de Atacama and the Carmen Lithium Chemical Plant (PQLC), issued by SERNAGEOMIN in 2022. These plans include social components, financial guarantees, and are updated and audited every five years. Citizen participation was carried out for the Salar de Atacama operation, while the PQLC process was published for public review but received no requests for participation. The Plan de Reducción de Extracciones en el Salar de Atacama, currently under SEIA evaluation, triggered a formal Indigenous Consultation Process (PCPI) with five Atacameño communities, which concluded in 2025 with agreements covering mitigation, monitoring, and compensation measures.

Beyond legal compliance, Novandino strengthens stakeholder engagement through long-term programs in education, health, culture, and economic diversification, which also function as social transition measures toward closure. This approach aligns with international standards such as IRMA, emphasizing early, continuous, and participatory closure planning.

5.1.5 Social closure plans

Chilean legislation on mine closure (Law No. 20.551 and Supreme Decree No. 41) requires companies to submit closure plans approved by SERNAGEOMIN. These plans focus on technical, environmental, and financial aspects such as dismantling of facilities, waste management, land stabilization, and financial guarantees, but they do not explicitly include social closure components.

To go beyond compliance, Novandino has voluntarily incorporated a social dimension into its closure planning for the Salar de Atacama, where Atacameño communities are located. As reported in the 2025 Sustainability Report, the company is developing social closure components aimed at

strengthening education, health, culture, and local economies. The focus is on building resilience and diversifying livelihoods so that the eventual closure of operations does not result in negative economic or social impacts.

This commitment is reflected in ongoing initiatives at the Salar de Atacama. These initiatives expand skills, reinforce cultural identity, and promote economic diversification, forming the basis of Novandino's social closure approach.

In the case of the Carmen Lithium Chemical Plant (PQLC), located in an industrial area of Antofagasta with no surrounding communities, the closure plan is limited to technical and environmental measures, in line with legal requirements.

5.1.6 Closure-related mitigation plans

Under Chilean law, mine closure plans regulated by Law No. 20.551 and Supreme Decree No. 41 must include measures to mitigate risks and ensure the physical and chemical stability of sites. These requirements cover the dismantling of facilities, removal or stabilization of waste deposits, re-profiling of disturbed areas, management of hazardous substances, and financial guarantees. In addition, the regulation obliges companies to develop a Community Outreach Program to inform affected stakeholders of closure measures, implementation timelines, and monitoring processes, ensuring that potential environmental and health impacts are properly mitigated.

Beyond compliance, Novandino has reinforced its closure-related mitigation through broader sustainability commitments. These include progressive rehabilitation of disturbed areas, protection and monitoring of water bodies and sensitive ecosystems, erosion and sediment control, safe removal of infrastructure and waste, biodiversity preservation, and post-closure monitoring of environmental variables. In parallel, programs that support education, economic diversification, and cultural heritage in Atacameño communities mitigate potential social and economic impacts once mining activities cease, building resilience and reducing dependency on mining.

Through this dual approach—legal compliance and voluntary enhancement—Novandino addresses closure-related mitigation comprehensively, ensuring environmental stability, community information, and long-term social transition.

5.2 Mine Closure Planning

Chile has established a comprehensive legal framework to regulate the closure of mining sites. The cornerstone is Law No. 19.300 on General Environmental Bases, which defines the environmental obligations of projects subject to environmental impact assessment. Complementing this, Law No. 20.551 specifically regulates the closure of mining operations and facilities. It requires companies to design and progressively implement closure plans throughout the life cycle of mining projects, ensuring the physical and chemical stability of sites while protecting the life, health, and safety of people and the environment.

To operationalize these requirements, Supreme Decree No. 41 of 2012 approves the Regulation of Law No. 20.551. It specifies technical standards, administrative procedures, and approval mechanisms for closure plans, detailing measures for different types of facilities, obligations for risk assessment, guarantees, community outreach, and post-closure monitoring.

Closure is integrated from the design stage, with progressive implementation throughout the project. Closure plans are reviewed with local stakeholders when expansions, new permits, or regulatory updates occur, incorporating mechanisms for public participation. Plans include measurable targets agreed with stakeholders, covering environmental stability, rehabilitation, socio-economic aspects, and safety.

Closure measures have defined timelines and are reviewed periodically to adjust scope, costs, and incorporate new technologies. Long-term obligations are reviewed every five years, including technical, environmental, and financial aspects. Progressive closure is applied during operations to minimize waste volumes and reduce long-term liabilities.

In cases of divestment, a formal agreement requires the purchaser to fully comply with closure obligations. Financial guarantees ensure that closure requirements can be met and protect the divesting company from future liabilities.

5.3 Active Community Engagement

Novandino operates two current production assets and has one project under environmental evaluation in Chile, subject to the Environmental Impact Assessment (SEIA) system. Community consultation requirements are defined by Law No. 19.300, its regulations (DS 95/2001), and ILO Convention 169 for Indigenous Peoples.

- **Carmen Lithium Chemical Plant – PQLC (production asset):** The Environmental Impact Declaration “*Capacity Increase and Optimization of Lithium Plant Carmen Production*” (2021) was published for public review in the Official Gazette and local media. No requests for citizen participation were received within the legal deadline (Article 30 bis, Law No. 19.300). The project was approved by RCA No. 202202001223 (2022).
- **Salar de Atacama (production asset):** The Environmental Impact Assessment “*Changes and improvements to mining operations in the Salar de Atacama*” (2005) included a formal Citizen Participation Program coordinated by the Regional Environmental Commission (COREMA). Three citizen observations were submitted within the legal period and addressed in Environmental Qualification Resolution (RCA) No. 226/2006.
- **Plan de Reducción de Extracciones en el Salar de Atacama (project under evaluation):** Submitted to SEIA in January 2022 as a modification of RCA No. 226/2006. The project triggered a formal Indigenous Consultation Process (PCPI) under ILO Convention 169, initiated by the Environmental Assessment Service (SEA) in 2022. The process involves the Atacameño communities of Camar, Toconao, Socaire, Talabre, Solor, and Peine, and remains ongoing as of 2025, with discussions focused on mitigation, monitoring, and compensation measures.

5.3.1 Indigenous Consultation Processes in the Salar de Atacama

In line with ILO Convention 169 and Chilean law, two Indigenous Consultation Processes have been implemented in relation to Novandino's contractual framework in the Salar de Atacama:

- **Indigenous Consultation on the Distribution of Contributions (2023–2024):** Conducted between November 2023 and August 2024. The consultation addressed the allocation and distribution of annual contributions that SQM Salar (Novandino) must provide to Atacameño communities registered with CONADI, as established in Clause 16 of the Contract for Project with CORFO. The process was formally closed in September 2024 (see [Procesos de Consultas Indígena Salar de Atacama – CORFO](#)).
- **Indigenous Consultation on Salar de Atacama Contracts (2024–2025):** Initiated in April 2024, this consultation focused on draft modifications of existing contracts (2018 agreements) applicable from 2025 to 2030, and on the draft of new lease and project contracts covering the period 2031 to 2060. The process concluded in 2025, with a systematization report delivered to the Atacameño and Lickanantay communities of the basin (see [Procesos de Consultas Indígena Salar de Atacama – CORFO](#)).

These consultations ensured free, prior, and informed participation of Indigenous communities regarding the distribution of financial resources and long-term contractual arrangements linked to lithium operations in the Salar de Atacama.

5.3.2 Salar Futuro Project

Salar Futuro is the joint project between SQM and Codelco that will be presented for Environmental Impact Assessment (EIA) to regulate future lithium operations in the Salar de Atacama, with a horizon extending to 2060. The initiative will be managed by a joint company formed by both partners once the association is formalized.

- Although the project has not yet entered the SEIA, it has already set out seven sustainability commitments:
- Elimination of continental water use.
- Reduction of net brine use through reinjection technologies.
- Meaningful community dialogue and participation through governance models.
- Deployment of new technologies to reduce water evaporation and improve operational efficiency.
- Protection of local settlements and the landscape of the Salar.

- Promotion of sustainable local development and job opportunities.
- Prioritization of renewable energy sources to reduce CO₂ emissions.

In addition, the project contemplates multiple participation mechanisms with Atacameño communities, including direct dialogue spaces, Indigenous consultations led by CORFO regarding contract modifications (2025–2030 and 2031–2060), and the Indigenous Consultation that will accompany the EIA process. These commitments seek to ensure that the project integrates environmental innovation with community well-being and long-term regional sustainability.

5.4 Security Forces

During 2024 and 2025, Novandino strengthened its management of security forces by deepening its alignment with the Voluntary Principles on Security and Human Rights (VPSHR) and reinforcing its commitment to human rights across all operations. This included structured training programs, improved oversight of contractors, and continuous dialogue with stakeholders to ensure responsible practices in both public and private security interactions.

5.4.1 Risk assessment

At Novandino, we continue to strengthen our risk-based approach to managing security forces. A dedicated risk matrix is applied to identify and address potential risks, with special focus on interactions between security personnel and local communities. Human rights considerations are systematically integrated, consistent with our Sustainability Policy, and aligned with our commitment to preventive and responsible management.

5.4.2 Interactions with public security

Our Human Rights Policy establishes categorical rejection of excessive use of force by public or private security. In 2024, we advanced clear guidelines for engagement with public security forces, ensuring that all interactions respect human rights and comply with Chilean law. Processes were reinforced to build transparent, respectful, and accountable relationships with public entities.

5.4.3 Interactions with private security

We have integrated the Voluntary Principles on Security and Human Rights (VPSHR) into our procedures and contractor requirements. During 2024 and 2025, this was reinforced through mandatory training for private security providers, covering national regulations (Decree No. 261 Exento), proportional use of force, and the respect of fundamental rights. Our Human Rights Policy commits to “develop private security practices consistent with the VPSHR and programs regarding interaction with State institutions and private security contractors and the proportional use of force.”

5.4.4 Training and capacity building

During 2024 and 2025, we implemented a structured training program on the VPSHR, consisting of six modules, with the participation of 36 individuals, including private security contractors and Novandino employees. These sessions addressed human rights, grievance handling, proportional use of force, and prevention of violations, strengthening the alignment of both company staff and contractors with international standards.

5.4.5 Oversight and monitoring of security providers

Oversight mechanisms were expanded to monitor compliance of private security companies with Novandino's standards. This included audits, performance reviews, and integration of external evaluations such as IRMA audits and client questionnaires. These independent assessments reinforce accountability and continuous improvement.

5.4.6 Grievance mechanisms

Novandino maintains a formal grievance channel available to employees, contractors, communities, and third parties. Our Human Rights Policy commits to "a grievance and complaints mechanism that is safe and transparent, guaranteeing anonymity, confidentiality, and protection against reprisals." Reports are managed in line with international standards, supporting transparency, risk identification, and remediation of potential human rights impacts involving security forces.

5.4.7 Audit and assessment of security contractors

We are developing a comprehensive framework for the audit and assessment of security contractors. In addition to internal monitoring, Novandino is externally audited under IRMA and other mechanisms, which include evaluations of our alignment with VPSHR. These reviews drive continuous improvement in the management of security forces, strengthening our commitment to ethical conduct and human rights compliance.

5.5 Artisanal and Small-scale Mining (ASM)

Lithium is not included among the commodities commonly associated with artisanal and small-scale mining (ASM), such as gold, tin, tantalum, tungsten, cobalt, copper, or precious stones.

In Chile, the legal framework makes artisanal or small-scale lithium mining unfeasible. According to the Código de Minería, [Law N° 18.248](#), Article 7, lithium is expressly not subject to mining concessions, and Article 8 establishes that its exploration and exploitation can only be executed directly by the State, its companies, or through Contratos Especiales de Operación de Litio (CEOL) granted by Supreme Decree under the conditions set by the President of the Republic. Additionally, under the [Law N° 16.319](#), Articles 2, 3 and 8, lithium is classified as a material of nuclear interest, and any act of commercialization or transfer involving lithium extracted or processed requires prior authorization from the Comisión Chilena de Energía Nuclear (CCHEN).

More generally, Chilean law recognizes the exclusivity of mining concession holders regarding concessionable minerals. The [Law N° 18.097](#), Article 7 grants concessionaires the exclusive right to prospect and exploit minerals within their concession boundaries, while Article 9 recognizes their right to defend their concession “by all legal means,” including reivindicatory and possessory actions. Similarly, the Código de Minería, Law N° 18.248, Article 14 prohibits any third party from carrying out prospecting or mining activities within the boundaries of an existing concession. Therefore, although the law does not establish an explicit duty of “surveillance,” concessionaires have the responsibility to exercise their legal rights and actions to prevent unauthorized third-party operations.

In addition to the legal restrictions, lithium extraction from brines, as carried out in Novandino’s operations, requires large-scale evaporation ponds, chemical processing plants, and industrial infrastructure, making ASM technically and economically non-viable.

As a result, none of Novandino’s operational sites have ASM activities taking place on or adjacent to them, and no risk of sourcing from ASM exists in our supply chain. This conclusion has also been independently verified through the IRMA audit: [section 3.6 of the Initial Audit Report for SQM Salar de Atacama](#) concluded that ASM is not relevant for the site, as there is no artisanal and small-scale mining near the mine and the company does not source from ASM operations.

6 Annexes

6.1 Independent Verification Statement on the Double Materiality Assessment



INDEPENDENT THIRD-PARTY DOUBLE MATERIALITY ANALYSIS 2024 SQM LITHIUM REVIEW REPORT

Mr.
Carlos Díaz
General Manager Lithium Potassium Division

Present

For our consideration:

We have reviewed the following aspects of the double materiality analysis carried out by SQM's Lithium Potassium Division, hereinafter referred to as "SQM Lithium", considering as the basis and outcome of said analysis the document entitled "Final Presentation Double Materiality Analysis", dated May 2024.

Standard and Scope

At the request of SQM Lithium, the review of the double materiality analysis was conducted in accordance with Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023, supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, also known as the European Sustainability Reporting Standard (ESRS), initiative of the European Financial Reporting Advisory Group (EFRAG) in collaboration with the Corporate Sustainability Reporting Directive (CSRD) of the European Commission.

The ESRS standard aims to give sustainability reports the same relevance as financial reports, stipulating primarily disclosure criteria and considering aspects related to their preparation. This independent review is limited only to the analysis of the implementation of the ESRS criteria used in the preparation of the double materiality analysis. The ESRS requirements associated with the disclosure stage were not considered in the scope, as they correspond to a stage after the double materiality analysis and are related to the disclosure of information under the legal requirements of the European Union, which are not applicable to SQM Lithium in Chile.

Independent review process

Our review work has consisted of the exhaustive analysis of the evidence presented by SQM Lithium to support the double materiality analysis conducted. At each stage of the process, the relevant evidence was examined to verify the execution of the analysis and its compliance with the requirements established in the standard "ESRS 1 General Requirements", section three "Double materiality as the basis for sustainability disclosures".

For this review, the following actions were conducted to examine the analysis procedures:

- We held meetings with the person in charge of SQM Lithium who led the preparation of the double materiality analysis, as well as with the consulting firm that assisted the company in said analysis, with the aim of reviewing the applied methodology.
- We examine the evidence presented to analyze the process carried out, including the methodological application, the results obtained, and the parties involved.
- We carried out review tests of quantitative and qualitative information, ensuring that the requirements established by the corresponding standard were met.

Conclusions

As a result of the independent third-party review process, having evaluated those criteria mentioned in the European Sustainability Reporting Standard (ESRS), we can conclude that the evidence has been presented to indicate that the Double Materiality Analysis 2024 conducted by SQM Lithium was carried out following the guidelines established in the third section of ESRS 1. In particular, a satisfactory review of compliance with the implementation of the ESRS standard criteria in sections 3, 3.1, 3.2, 3.3, 3.4, 3.5 and 3.7 was obtained.

The conclusions of this report are based on Deloitte's review as an independent third-party of the double materiality analysis carried out by SQM's Lithium Potassium Division under the European Sustainability Reporting Standard (ESRS). Deloitte's conclusions are valid for the document entitled "Final Presentation Double Materiality Analysis", dated May 2024. Additionally, a document is presented to SQM Lithium identifying improvement opportunities aimed at strengthening specific aspects of the double materiality analysis.

Yours sincerely,



Fernando Gaziano Perales
Partner
September 26, 2024

6.2 Independent Verification Statement on the Organizational Carbon Footprint

Deloitte.

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INDEPENDENT LIMITED ASSURANCE REPORT – NOVA ANDINO LITIO SpA

September 16, 2026

To: The Board of Directors of
Nova Andino Litio SpA
Present

We have performed a limited assurance engagement on the quantification of the Greenhouse Gas Emissions Inventory, Scope 1, 2 and 3, of Nova Andino Litio SpA (hereinafter the "Company"), prepared in accordance with the Greenhouse Gas Protocol Standard (hereinafter "GHG Protocol" or the "Standard") criteria, for the period from January 1 to December 31, 2025.

Standards and Assurance Process

Our responsibility is to express a limited assurance conclusion on the quantification of the Greenhouse Gas Emissions Inventory for the period ended December 31, 2025, prepared in accordance with the GHG Protocol, based on the procedures that we have performed, and the evidence obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements on Greenhouse Gas Statement (ISAE 3410), issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform this engagement to obtain limited assurance as to whether the quantification of the Greenhouse Gas Emissions Inventory for the period from January 1, 2025, to December 31, 2025, is free from material misstatement in accordance with the GHG Protocol criteria.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical and other procedures) and evaluating the evidence obtained.

The procedures also include the evaluation of the criteria applied and quantification of the Greenhouse Gas Emissions Inventory for the period from January 1, 2025, to December 31, 2025, prepared in accordance with the GHG Protocol criteria.

September 16, 2026
To: The Board of Directors of
Nova Andino Litio SpA
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Our engagement included the following procedures:

Through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the subject matter sufficient to identify and further assess risks of material misstatement in the underlying subject matter, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.

- Through management inquiries, obtained an understanding of internal controls relevant to the quantification process and data used in preparing the subject matter, the methodology for gathering qualitative information, and the process for preparing and reporting the subject matter. We have not evaluated the design of internal control activities, obtained evidence about their implementation or tested their operating effectiveness.
- Performed procedures over underlying data on a sample basis, to evaluate whether the data have been collected and presented in accordance with the relevant methodologies set out in the GHG Protocol, including verification of source documentation. We also performed analytical review procedures to understand the underlying subject matter and to identify areas where a material misstatement of the selected indicators is more likely to occur.
- Performed procedures over the subject matter, including recalculation of relevant formulae used in manual calculations and an assessment of whether the emissions inventory data for the period from January 1, 2025, to December 31, 2025, have been appropriately collected, aggregated and presented accurately.
- We identified accumulated misstatements and control deficiencies, and assessed whether these were material

The procedures performed in a limited assurance engagement vary in nature and timing and are less extensive than those for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

The details of the total emissions reported in the Company's quantification are presented below:

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Deloitte Touche Tohmatsu Limited es una compañía privada limitada por garantía constituida en Inglaterra & Gales bajo el número 0727800, y su domicilio registrado: Hill House, 1 Little New Street, London, EC4A 3TR, Reino Unido.

September 16, 2026

 To: The Board of Directors of
 Nova Andino Litio SpA
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Corporate Carbon Footprint – Nova Andino Litio SpA, 2025

Scope	Unit	Location-based Method	Market-based Method
Direct Emissions (Scope 1)	tCO₂e	204,146	204,146
Stationary Combustion	tCO ₂ e	175,187	175,187
Mobile Combustion	tCO ₂ e	22,323	22,323
Fugitive Emissions	tCO ₂ e	216	216
Land-use Change	tCO ₂ e	6,419	6,419
Indirect Emissions (Scope 2 – Location Based)	tCO₂e	88,680	-
Indirect Emissions (Scope 2 – Market Based)	tCO₂e	-	309,064
Indirect Emissions (Scope 3)	tCO₂e	1,745,326	1,745,326
Category 1: Purchased Goods and Services	tCO ₂ e	916,203	916,203
Category 2: Capital Goods	tCO ₂ e	190,068	190,068
Category 3: Fuel- and Energy-Related Activities	tCO ₂ e	53,853	53,853
Category 4: Upstream Transportation and Distribution	tCO ₂ e	219,896	219,896
Category 5: Waste Generated in Operations	tCO ₂ e	4,923	4,923
Category 6: Business Travel	tCO ₂ e	2,667	2,667
Category 7: Employee Commuting	tCO ₂ e	9,946	9,946
Category 9: Downstream Transportation and Distribution	tCO ₂ e	16,101	16,101
Category 10: Processing of Sold Products	tCO ₂ e	326,045	326,045
Category 12: End-of-Life Treatment of Sold Products	tCO ₂ e	5,624	5,624
Corporate Carbon footprint (Scope 1, 2 y 3)	tCO₂e	2,038,152	2,258,536

Our independence and quality control

We have complied with the relevant rules of professional conduct and code of ethics applicable to the practice of accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1 (ISQM 1), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

September 16, 2026

 To: The Board of Directors of
 Nova Andino Litio SpA
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Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Greenhouse Gas Emissions Inventory of the Company, for the period from January 1 to December 31, 2025, prepared by Nova Andino Litio SpA, has not been prepared, in all its material respects, in accordance with the Greenhouse Gas Protocol.

Other Responsibilities

- The preparation of the Greenhouse Gas Emissions Inventory, period 2025, as well as its content, is the responsibility of Nova Andino Litio SpA, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our limited assurance engagement.
- This report has been prepared solely in the interest of the Company, in accordance with the terms set out in the Engagement Letter.
- We have performed our work in compliance with the independence requirements set out in the Code of Ethics issued by the International Federation of Accountants (IFAC).
- The conclusions of the engagement are valid for the latest version of the 2025 carbon footprint quantification, received on September 13, 2026.

Use of our report

This report is issued exclusively for the use of Nova Andino Litio SpA, in accordance with ISAE 3410 and our agreed terms of engagement. Our work has been performed for the purpose of reporting to the Company the matters that we have agreed to report in this report, and for no other purpose.

Without assuming or accepting any responsibility in respect of this report to any third party other than Nova Andino Litio SpA, we acknowledge that the Company may elect to publish this report for those who wish to access it. Such publication shall not, under any circumstances or for any purpose, affect or extend our responsibilities. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Nova Andino Litio SpA, for our work, for this report, or for the conclusions we have reached.

September 16, 2026
To: The Board of Directors of
Nova Andino Litio SpA
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This report is a translated version of the original Spanish report. In the event of any discrepancies,
the original Spanish version shall prevail.

Sincerely,



6.3 Independent Verification Statement on the Product Carbon Footprint (PCF)

Deloitte.

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INDEPENDENT LIMITED ASSURANCE REPORT – NOVA ANDINO LITIO SpA

August 11, 2026

To: The Board of Directors of
Nova Andino Litio SpA
Present

We have performed a limited assurance engagement on the quantification of the Carbon Footprint of certain products, described in the scope of this report, of Nova Andino Litio SpA (hereinafter the “Company”), prepared in accordance with the criteria of the Greenhouse Gas Protocol – Product Life Cycle Accounting and Reporting Standard (hereinafter “GHG Protocol”) and the methodology of the International Lithium Association (hereinafter “ILiA Methodology”) applicable to the quantification of the carbon footprint of products, for the period from January 1 to December 31, 2025.

Scope

The report contemplates the verification of the Carbon Footprint for the products Wet MOP, Dry MOP, Granulated MOP, Lithium Sulfate, Lithium Carbonate and Lithium Hydroxide monohydrate.

The emission sources considered in the quantification of the Product Carbon Footprint include fuel consumption in stationary and mobile sources, electricity consumption, acquisition of raw materials and inputs, transport, waste management and other relevant activities included within the boundaries and allocation rules defined by the ILiA methodology. The results are presented in terms of product intensity and were quantified under a cradle-to-gate life cycle analysis approach.

Standards and Assurance Process

Our responsibility is to express a limited assurance conclusion on the quantification of the Carbon Footprint of the products mentioned above for the year ended December 31, 2025, presented in accordance with the GHG Protocol and the ILiA methodology criteria, based on the procedures that we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB).

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This standard requires that we plan and perform this engagement to obtain limited assurance as to whether the quantification of the Carbon Footprint of the products mentioned above for the year ended December 31, 2025, is free from material misstatement in accordance with the GHG Protocol and the ILiA methodology criteria.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical and other review procedures) and evaluating the evidence obtained. The procedures also include the evaluation of whether the criteria used in the quantification and allocation of the Carbon Footprint to the products subject to review, for the year ended December 31, 2025, are presented in accordance with the GHG Protocol and the ILiA methodology criteria.

Our engagement included the following procedures:

- Through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the subject matter sufficient to identify and further assess risks of material misstatement in the underlying subject matter, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through management inquiries, obtained an understanding of internal controls relevant to the quantification process and data used in preparing the subject matter, the methodology for gathering qualitative information, and the process for preparing and reporting the subject matter. We have not evaluated the design of internal control activities, obtained evidence about their implementation or tested their operating effectiveness.
- Performed procedures over underlying data on a sample basis, to evaluate whether the data have been collected and presented in accordance with the methodologies, according to the criteria defined by the Company, of the GHG Protocol and the ILiA Methodology criteria, including verification of source documentation.
- Performed procedures over the subject matter, including recalculation of relevant formulae used in manual calculations and an assessment of whether the data in the 2025 emissions inventory data have been appropriately collected, aggregated and reported accurately.
- Accumulated misstatements and control deficiencies identified and assessed whether they were material.

The procedures performed in a limited assurance engagement vary in nature and timing and are less extensive than those for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

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The details of the emission intensities for each product, according to the quantification performed by the Company, is presented below:

Product Carbon Footprint – Nova Andino Litio SpA, year 2025.

MOP (KCl) Carbon Footprint

Product	Method Location	Unit
MOP H (Wet)	0.07	tCO2e/t of production
MOP S (Dry)	0.10	tCO2e/t of production
MOP G (Granulated)	0.18	tCO2e/t of production

Lithium Carbon Footprint

Product	Method Location	Unit
Li ₂ SO ₄ (Lithium Sulfate)	0.43	tCO2e/t of production
Li ₂ CO ₃ (Lithium Carbonate)	4.86	tCO2e/t of production
LiOH·H ₂ O (Lithium Hydroxide monohydrate)	10.88	tCO2e/t of production

Our independence and quality control

We have complied with the relevant rules of professional conduct and code of ethics applicable to the practice of accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1 (ISQM 1), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the quantification of the Product Carbon Footprint, expressed in terms of emission intensity, of the products detailed above, for the period from January 1 to December 31, 2025, performed by Nova Andino Litio SpA, has not been prepared, in all its material respects, in accordance with the GHG Protocol and the ILiA methodology criteria.

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Other Responsibilities

- The preparation of the Greenhouse Gas Emissions Inventory, period 2025, as well as its content, is the responsibility of Nova Andino Litio SpA, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our limited assurance engagement.
- This report has been prepared solely in the interest of the Company, in accordance with the terms set out in the Engagement Letter.
- We have performed our work in compliance with the independence requirements set out in the Code of Ethics issued by the International Federation of Accountants (IFAC).
- The conclusions of the engagement are valid for the latest version of the 2025 carbon footprint quantification, received on July 30, 2026.

Use of our report

This report is issued exclusively for the use of Nova Andino Litio SpA, in accordance with ISAE 3000 and our agreed terms of engagement. Our work has been performed for the purpose of reporting to the Company the matters that we have agreed to report in this report, and for no other purpose.

Without assuming or accepting any responsibility in respect of this report to any third party other than Nova Andino Litio SpA, we acknowledge that the Company may elect to publish this report for those who wish to access it. Such publication shall not, under any circumstances or for any purpose, affect or extend our responsibilities. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Nova Andino Litio SpA, for our work, for this report, or for the conclusions we have reached.

This report is a translated version of the original Spanish report. In the event of any discrepancies, the original Spanish version shall prevail.

Sincerely,



6.4 Main Climate Change Risks

Main Climate Change Risks – Risk 1 to Risk 4

Environmental issue the risk relates to	Climate Change	Climate change	Climate change	Climate change
Risk identifier	Risk 1	Risk 2	Risk 3	Risk 4
Risk types and primary environmental risk driver	Drought	Temperature variability	Flooding (coastal , fluvial, pluvial, groundwater)	Acute physical — intense and localized rainfall.
Value chain stage where the risk occurs	Direct Operations	Direct operations	Downstream value chain	Direct Operations
Country/area where the risk occurs	Chile	Chile	Chile	Chile
Organization-specific description of risk	Our operation is affected by changes in precipitation patterns and extreme variability, which result in lower aquifer recharge, from which we obtain our water supply.	A sustained increase in average temperatures above historical levels may gradually affect occupational health and safety, increase heat stress on workers and local communities, and reduce long-term labor productivity. It may also influence the efficiency of certain processes and contribute to higher baseline energy demand for cooling systems.	An increase in the frequency and intensity of storm surges could affect port operations, leading to temporary closures that disrupt the shipment of our products, the reception of raw materials, and the transportation of strategic inputs. These events could generate delays, higher logistics costs, and potential interruptions in our supply chain and export activities.	Intense and localized rainfall events in short periods can affect infrastructure and roads, leading to interruptions in production processes, higher operating costs, and increased safety risks. Such events may also impact logistics between plants, production schedules, and capital expenditures, while creating potential environmental impacts and challenges for community projects and the relocation of personnel.
Primary financial effect of the risk	Increased production costs	Increased indirect [operating] costs	Increased indirect [operating] costs	Decreased revenues due to reduced production capacity
Time horizon over which the risk is anticipated to have a substantive effect on the organization	Long-term	Long-term	Short-term Medium-term	Short-term Medium-term
Likelihood of the risk having an effect within the anticipated time horizon	Likely	Likely	About as likely as not	More likely than not
Magnitude	High	Medium-high	Medium-high	Medium-high
Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	The company's access to water may be affected by geological changes, climate change and/or other natural factors that imply a reduction of recharged water in the wells or rivers from which we obtain this resource for our operation. These factors are beyond our control. The use of seawater for present and future operations could increase our operating costs. Any such change could have a material adverse effect on our business, financial condition and results of operations.	A sustained increase in average temperatures could gradually raise operating costs due to higher baseline energy demand for cooling, and the implementation of additional occupational health and safety measures. Over the long term, this may also reduce labor productivity and efficiency, with potential indirect impacts on production costs, financial performance, and cash flows.	Storm surges and related port closures could lead to interruptions in product shipments and delays in receiving raw materials and strategic inputs. These disruptions may increase logistics and transportation costs, generate inefficiencies in the supply chain, and create potential impacts on revenues and cash flows due to delayed exports and contractual commitments.	The materialization of this risk could lead to interruptions in production processes, increased operating costs, and higher capital expenditures for infrastructure repair. It may also affect logistics between plants, production schedules, and safety performance, with potential impacts on sales revenues and cash flows.
Primary response to risk	Adopt water efficiency, water reuse, recycling and conservation practices	Other infrastructures, technology and spending, please specify: Implement energy efficiency measures, strengthen occupational health and safety protocols, and adapt infrastructure to address sustained increases in average temperatures.	Amend the Business Continuity Plan	Infrastructure, technology and spending — infrastructure resilience and emergency preparedness.
Description of response	We acknowledge that reduced aquifer recharge may exacerbate the effects of drought on our operations. In response, Novandino has voluntarily set a groundwater extraction limit below the legally approved threshold in the Salar de Atacama to ensure availability and promote efficient use of water. In parallel, we are advancing the “Salar Futuro” project, a long-term innovation initiative that includes Direct Lithium Extraction (DLE) technologies with a zero-water footprint, desalinated seawater supply, and renewable energy integration, aiming to strengthen resilience and achieve carbon neutrality. At the Carmen Lithium Chemical Plant, we have implemented the Solutions Recovery Plant, which recovers water for operational reuse while also recovering lithium solution. This reduces dependence on third-party freshwater and enhances recycling and overall water efficiency.	Novandino addresses the sustained increase in average temperatures through measures that strengthen occupational health and safety protocols and monitoring of worker well-being. The company promotes preventive training, protective equipment, and infrastructure adaptation to manage chronic heat stress. At the same time, energy efficiency programs and the transition to renewable electricity aim to reduce baseline energy demand for cooling, while supporting progress toward carbon neutrality.	(Coastal flooding) Novandino has incorporated storm surge risks into its business continuity planning. Measures include reinforcing contingency logistics to address potential port closures, coordinating with suppliers and clients to manage delays, and strengthening storage and inventory management to reduce exposure to temporary interruptions. These actions aim to minimize the impact of disrupted exports, delayed raw material inputs, and higher logistics costs on operations and financial performance.	Novandino has assessed potential product losses in evaporation ponds at the Salar de Atacama under intense rainfall conditions. Climate scenario analysis has been used to estimate future days with intense rainfall, identify potential impacts and evaluate adaptation measures. The company's broader adaptation approach includes infrastructure reinforcement, preventive maintenance, meteorological monitoring, emergency preparedness and insurance coverage for material physical losses.

Main Climate Change Risks – Risk 5 to Risk 8

Environmental issue the risk relates to	Climate Change	Climate change	Climate Change	Climate change
Risk identifier	Risk 5	Risk 6	Risk 7	Risk 8
Risk types and primary environmental risk driver	Flooding (coastal, fluvial, pluvial, groundwater)	Heat wave	Storm (including blizzards, dust and sandstorms)	Policy — climate regulation and carbon pricing.
Value chain stage where the risk occurs	Direct Operations	Direct operations	Direct Operations	Direct Operations
Country/area where the risk occurs	Chile	Chile	Chile	Chile
Organization-specific description of risk	An increase in heavy rainfall and high-altitude snow events could trigger floods and debris flows that may affect monitoring infrastructure, transportation routes, camps, and nearby communities. These events could disrupt logistics and operations and pose safety risks.	Increased frequency of heat waves, with maximum temperatures above historical averages, may affect workers’ health and occupational safety, reduce process efficiency, and increase electricity consumption to condition spaces. This also implies higher GHG emissions, challenging the company’s sustainability commitments.	An increase in extreme weather events associated with strong winds may affect the continuity of our operations and the safety of workers.	Changes in regulation may include new entry barriers for our products, increased mandatory reporting requirements (including climate disclosures), higher carbon prices or green taxes, exposure to litigation, and constitutional or legal reforms in Chile. These changes could increase compliance costs and directly affect our competitiveness in international markets.
Primary financial effect of the risk	Increased direct costs	Increased production costs	Increased direct costs	Increased indirect operating costs
Time horizon over which the risk is anticipated to have a substantive effect on the organization	Short-term Medium-term	Short-term Medium-term	Short-term Medium-term	Short-term Medium-term
Likelihood of the risk having an effect within the anticipated time horizon	Likely	Likely	Likely	Very likely
Magnitude	Medium-high	Low	Medium-high	Medium-high
Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Floods and debris flows could increase operational costs due to infrastructure damage, road closures, and emergency responses. They may also cause delays in the transport of raw materials and products, leading to inefficiencies and potential impacts on revenues and cash flows in the short to medium term.	The main financial effect would be higher operating costs related to energy consumption, worker health and safety measures, and the development and monitoring of prevention and emergency plans. Although the financial impact is expected to be moderate, it could affect efficiency and increase expenses in the short to medium term.	The materialization of this risk could cause temporary operational interruptions, additional maintenance and infrastructure repair expenses, and extra costs to ensure worker safety. These effects may moderately increase operational expenditures and generate delays that affect production schedules, revenues, and cash flows.	These regulatory changes may increase direct operating costs and compliance expenses and require the adaptation of our operations to stricter standards. They could also affect the competitiveness of our products in export markets under mechanisms such as the EU’s Carbon Border Adjustment Mechanism, with potential impacts on revenues and cash flows.
Primary response to risk	Protect critical infrastructure and strengthen emergency preparedness	Other policies or plans, please specify: Develop emergency plans	Amend the Business Continuity Plan.	Policies and plans — climate transition and decarbonization.
Description of response	Novandino incorporates pluvial flooding and debris-flow risks into its business continuity and emergency preparedness processes, consistent with CDP physical climate risk disclosure expectations. Measures include structural reinforcement of evaporation ponds and other critical infrastructure, protocols to protect monitoring systems and transport routes, emergency procedures for camps and nearby communities, and coordination with authorities for road closures and debris removal. These actions aim to minimize operational disruption, protect people, and reduce potential financial impacts.	Novandino has developed an emergency plan that establishes a comprehensive framework for managing heat-related risks, including coordinated prevention, response, and rehabilitation measures. Sub-plans include the creation of a risk matrix to identify hazards, assess vulnerabilities, and evaluate potential impacts. Additional measures involve reinforcing occupational health and safety protocols, improving monitoring systems, and ensuring adaptive infrastructure to minimize impacts on people, operations, and communities.	Novandino has developed business continuity and emergency management plans that consider extreme weather events. These plans include vulnerability assessments, reinforcement of critical infrastructure, and occupational safety protocols. In addition, meteorological monitoring systems are in place to anticipate strong wind events and activate preventive measures to minimize their impact on operations and worker safety.	Novandino is developing a climate transition plan aligned with its validated near-term science-based targets and a pathway consistent with limiting global warming to 1.5°C. The company manages regulatory climate risks through regulatory monitoring, integrated enterprise risk management and initiatives to reduce GHG emissions, improve energy efficiency, expand renewable electricity use and adopt lower-carbon technologies. These measures seek to reduce exposure to higher carbon prices and evolving climate-related requirements.

Main Climate Change Risks – Risk 9 to Risk 11

Environmental issue the risk relates to	Climate Change	Climate Change	Climate change
Risk identifier	Risk 9	Risk 10	Risk 11
Risk types and primary environmental risk driver	Transition to lower emissions technology and products	Changing customer behavior	Stigmatization of sector
Value chain stage where the risk occurs	Direct Operations	Direct Operations	Downstream value chain
Country/area where the risk occurs	Chile	Chile	Belgium China United States of America
Organization-specific description of risk	The technological transition associated with global decarbonization may lead to the substitution of lithium-based products by alternative materials or technologies, reducing long-term demand. At the same time, adapting our operations to lower-emission technologies requires significant investments in process improvements and energy transition initiatives, increasing operational costs and creating uncertainty regarding future technological pathways.	Growing ESG expectations from clients may influence purchasing behavior, requiring Novandino to strengthen sustainability credentials and transparency. If these expectations are not met, customers could seek alternative suppliers, reducing Novandino’s competitive differentiation. Additionally, volatility in raw material prices could increase operating costs.	Stigmatization of the sector, primarily due to water use concerns, linked to reduced aquifer recharge as a result of climate change. In addition, increasing concerns about meeting internal targets that depend on the pace of technological developments.
Primary financial effect of the risk	Increased capital expenditures	Increased production costs	Brand damage
Time horizon over which the risk is anticipated to have a substantive effect on the organization	Long-term	Short-term Medium-term	Short-term Medium-term
Likelihood of the risk having an effect within the anticipated time horizon	About as likely as not	Likely	About as likely as not
Magnitude	High	Medium-high	High
Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	The transition to lower-emission technologies could require significant investments in process innovation, renewable energy, and efficiency improvements, increasing both operational expenditures and capital costs. In addition, the potential substitution of lithium-based products with alternative technologies may reduce long-term revenues. These combined factors could affect profitability and cash flow, particularly if technological changes advance faster than expected.	If ESG expectations are not met, Novandino may face loss of contracts, reduced client demand, or the need to invest in additional certification and reporting measures. At the same time, increased raw material costs could elevate production expenses, affecting profitability and cash flows in the short to medium term.	Reputational risk linked to water use concerns and climate change could negatively affect stakeholder trust, potentially leading to stricter regulatory scrutiny, higher compliance costs, and challenges in maintaining or expanding operations. In addition, failure to meet internal targets dependent on technological advances could reduce investor confidence and affect long-term revenues and cash flows. Indirectly, these reputational pressures could also affect the company’s social license to operate, including stakeholder support for the extension of the lease agreement beyond 2030.
Primary response to risk	Develop a climate transition plan	Engage with customers	Compliance, monitoring and targets
Description of response	Novandino manages the risk associated with the transition to lower-emission technologies through its climate transition plan, innovation agenda and long-term operational strategy. The company is evaluating and implementing measures to reduce the carbon and water intensity of its lithium production, including process efficiency improvements, renewable energy integration, lower-emission technologies and initiatives under the Salar Futuro project. These actions are intended to support alignment with science-based targets and a 1.5°C pathway, while reducing exposure to future regulatory, market and technology-related transition risks. Novandino also monitors emerging battery technologies and potential product substitutes to anticipate changes in demand and adapt its portfolio and investment decisions accordingly. This approach helps manage potential increases in capital expenditures and operating costs while strengthening long-term competitiveness in low-carbon markets.	Novandino has reinforced its sustainability strategy by adopting external standards such as Science Based Targets, IRMA, and EcoVadis. The company also actively responds to client ESG questionnaires and follows closely the development of regulatory initiatives such as the EU Battery Regulation (EUBR) and the Corporate Sustainability Due Diligence Directive (CSDDD). These actions enhance transparency, provide verifiable information about production impacts, and align operations with evolving client expectations and international requirements, mitigating potential reputational and contractual risks.	Novandino seeks to strengthen transparency by disclosing verifiable information on production processes, measurable impacts, and progress in innovation. We conduct life cycle analyses of our products, demonstrating competitive performance in water and carbon efficiency, and publish detailed information on our website (www.sqmsenlinea.com) about the care of the Salar de Atacama. Novandino submitted its Science Based Targets, and its near-term climate commitments were officially validated by the Science Based Targets initiative (SBTi).

6.5 Main Water-Related Risks

Main Water-Related Risks – Risk Summary

Environmental issue the risk relates to	Water	Water	Water	Water
Risk identifier	Risk 1	Risk 2	Risk 3	Risk 4
Risk types and primary environmental risk driver	Chronic physical – Water stress	Policy – Statutory water withdrawal limits	Reputation – Increased partner and stakeholder concern or negative stakeholder feedback	Chronic physical – Declining ecosystem services
Value chain stage where the risk occurs	Direct operations (brine extraction, freshwater intake)	Direct operations (SdA, PQLC)	Direct operations and downstream (engagement)	Direct operations (SdA, PQLC)
Country/area where the risk occurs	Chile	Chile	Chile	Chile
Organization-specific description of risk	Operations occur in a highly water-stressed endorheic basin; reduced recharge and climate variability could constrain freshwater availability and brine operations (includes potential groundwater depletion risk).	Tighter legal thresholds/permits and evolving concession frameworks could cap extraction volumes and increase reporting/verification obligations.	High public and stakeholder scrutiny of water management in Salar de Atacama; perceived underperformance could erode trust.	Changes in basin water balance may alter wetlands and habitats, reducing ecosystem services such as hydrological regulation and local climate stability. These effects could increase operational constraints and reputational scrutiny.
Primary financial effect of the risk	Reduced production output, higher OPEX	Compliance costs; possible production limits	Permitting delays; revenue at risk	Rehabilitation/mitigation costs; operating limits
Time horizon over which the risk is anticipated to have a substantive effect on the organization	Medium to long term (5–10 years)	Medium term (3–5 years)	Short term (1–3 years)	Long term (>10 years)
Likelihood of the risk having an effect within the anticipated time horizon	Likely	Likely	Possible	Possible
Magnitude	High	Moderate	Moderate	High
Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Lower throughput and sales; additional costs for alternative supply/efficiency; pressure on margins and cash flows.	Higher OPEX/CAPEX to comply/adapt; potential quota impacts; timing/approval risks affecting cash conversion cycle.	Potential project delays and higher cost of capital; exposure to client due-diligence outcomes; sales at risk with sustainability-focused buyers.	Potential restrictions in sensitive areas; increased costs for mitigation and rehabilitation; reputational exposure in biodiversity-sensitive markets.
Primary response to risk	Water efficiency & monitoring	Compliance and adaptive engineering	Transparency & engagement	Biodiversity monitoring and ecosystem management
Description of response	Operate real-time hydrological monitoring; continuous efficiency programs at SdA/PQLC; optimize circuits to lower freshwater intensity; diversify with industrial/third-party water supply; periodic review of triggers in ERM.	Strengthen RCA/EIA compliance; scenario testing vs. stricter limits; debottlenecking and process redesign to operate under lower withdrawal envelopes; proactive regulatory engagement and timely submissions.	Disclose detailed water balances; regular dialogues and long-term agreements with local/indigenous stakeholders; alignment with international mining standards (e.g., IRMA); targeted communications to address concerns and due-diligence requests.	Novandino integrates biodiversity monitoring linked to water use, operates the PSAH (Environmental and Hydrogeological Monitoring Plan) monitoring network, collaborates with authorities and researchers, and implements management measures to prevent degradation of ecosystem services.

6.6 Main Biodiversity Risks

Main Biodiversity Risks – Risk Summary

Environmental issue the risk relates to	Biodiversity	Biodiversity	Biodiversity	Biodiversity
Risk identifier	Risk 1	Risk 2	Risk 3	Risk 4
Risk types and primary environmental risk driver	Chronic physical – Threatened species in or near mining operation	Policy – Other biodiversity-related regulation	Reputation – Negative stakeholder feedback	Chronic physical – Conversion or degradation of sensitive ecosystems
Value chain stage where the risk occurs	Direct operations (SdA, PQLC)	Direct operations and permitting	Direct operations and downstream	Direct operations (SdA, PQLC)
Country/area where the risk occurs	Chile	Chile	Chile and export markets	Chile
Organization-specific description of risk	The Salar de Atacama hosts sensitive species (e.g., flamingos, halophytic vegetation, wetlands) that may be affected by hydrological changes linked to operations. Impacts could trigger stricter regulations, reputational challenges, and higher conservation costs.	Increasing requirements in Chilean environmental legislation and commitments (e.g., biodiversity offsets, stricter EIA obligations) could impose additional limits or costs on operations.	NGOs, investors and international buyers are increasingly attentive to biodiversity impacts. Perceived insufficient protection of sensitive ecosystems may undermine social license to operate and access to markets.	Expansion or intensified operations could contribute to ecosystem degradation (loss of wetlands or halophytic vegetation), generating long-term ecological impacts.
Primary financial effect of the risk	Rehabilitation costs; reputational risk; potential operational limits	Higher CAPEX/OPEX for compliance and offsets	Reduced revenues; higher cost of capital	Rehabilitation/mitigation costs; liability risk
Time horizon over which the risk is anticipated to have a substantive effect on the organization	Long term (>10 yrs)	Medium term (3–5 yrs)	Short term (1–3 yrs)	Long term (>10 yrs)
Likelihood of the risk having an effect within the anticipated time horizon	Possible	Likely	Possible	Unlikely to possible
Magnitude	High	Moderate	Moderate	Moderate to High
Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Potential restrictions in biodiversity-sensitive areas, costs of conservation or offsetting programs, and reduced flexibility in operations.	Possible delay or restriction in expansion projects; increased costs of biodiversity compensation/offset programs.	Heightened scrutiny could lead to reduced client demand, reputational damage, and increased financing costs.	Long-term restrictions on land use and increased costs for rehabilitation, restoration or offsets.
Primary response to risk	Conservation & species monitoring	Regulatory compliance & offsets	Transparency & engagement	Ecosystem management & restoration
Description of response	Novandino monitors key species, partners with universities and NGOs, implements conservation and rehabilitation programs, and aligns with IRMA/TNFD biodiversity requirements to mitigate risks on threatened species and habitats.	Novandino integrates biodiversity considerations in EIAs, develops offset and rehabilitation projects, and strengthens alignment with Chilean and international standards (IRMA, TNFD).	Novandino discloses biodiversity performance in sustainability reports, aligns with the IRMA Standard, engages in external verification, and participates in multi-stakeholder biodiversity initiatives.	Novandino develops ecosystem monitoring, invests in restoration projects, and participates in landscape-level initiatives to minimize conversion/degradation risks.

6.7 Main Plastics-Related Risks

Environmental issue the risk relates to	Plastics	Plastics	Plastics	Plastics
Risk identifier	Risk 1	Risk 2	Risk 3	Risk 4
Risk types and primary environmental risk driver	Transition risk – Policy and compliance driver	Transition risk – Reputational driver	Physical/operational risk – Pollution and waste driver	Transition risk – Market and supply chain driver
Value chain stage where the risk occurs	Downstream (waste management, packaging, distribution)	Downstream (exports, international markets)	Direct operations (SdA, PQLC, Puerto Angamos)	Upstream (suppliers of inputs, distribution partners)
Country/area where the risk occurs	Chile	Global (EU, Asia, US)	Chile (Antofagasta Region)	Chile and global supply chain
Organization-specific description of risk	Chile’s Extended Producer Responsibility Law (Ley REP) imposes stricter obligations on producers regarding plastic waste reduction, reuse, and recycling. This could affect compliance costs and operational requirements.	International stakeholders, particularly battery and chemical clients, are under pressure to demonstrate sustainable supply chains. Perceptions of poor plastic waste management could undermine Novandino’s market position.	Waste generation at operations includes plastics that, if not managed properly, can contribute to local environmental degradation and community concern.	Certain inputs and logistics (e.g., packaging, chemical transport) involve plastics, creating exposure to changing supplier practices and costs linked to plastic regulation and market preferences.
Primary financial effect of the risk	Increased compliance costs, potential fines, reputational impact	Potential revenue loss due to reduced client demand	Increased operational costs and waste treatment expenses	Rising procurement costs, supplier substitution costs
Time horizon over which the risk is anticipated to have a substantive effect on the organization	Medium-term (3–5 years)	Short to medium term (1–5 years)	Ongoing (short to long term)	Medium-term (3–7 years)
Likelihood of the risk having an effect within the anticipated time horizon	Likely	Possible	Likely	Possible
Magnitude	Moderate	Moderate to high	Moderate	Low to moderate
Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Higher operating expenses and CAPEX to adapt packaging and waste management processes; potential delays in permitting or market penalties for non-compliance	Risk of losing contracts with sustainability-oriented buyers; potential decrease in revenue streams	Potential increase in OPEX and CAPEX for waste handling; risk of fines or community conflict	Higher costs for compliant suppliers; potential need to switch to alternative materials
Primary response to risk	Compliance and circular economy initiatives	Stakeholder engagement, ESG reporting	Waste reduction and monitoring	Supplier engagement
Description of response	Novandino aligns with Ley REP by reducing single-use plastics, improving waste segregation, and collaborating with certified recyclers.	Novandino discloses waste and recycling practices in its Sustainability Report, aligning with TNFD/CDP frameworks and international expectations.	Novandino implements recycling programs, tracks hazardous and non-hazardous waste, and strengthens waste management systems.	Novandino engages with Tier 1 suppliers, promoting traceability and sustainable practices, including reduction of plastics in logistics.

6.8 Environmental Opportunities

Environmental issue the opportunity relates to	Climate change	Climate change	Climate change	Climate change	Water	Biodiversity / Nature
Opportunity identifier	Opportunity 1	Opportunity 2	Opportunity 3	Opportunity 4	Opportunity 1	Opportunity 1
Opportunity	Access to green and sustainable finance	Renewable energy and operational decarbonization	Growing demand for certified and sustainable lithium	Growth in lithium demand from the energy transition	Water efficiency and resource recovery	Resource-efficient lithium extraction and new technologies
Value chain stage	Direct operations	Direct operations	Downstream value chain	Downstream value chain	Direct operations	Direct operations
Organization-specific description	Eligible lithium investments and strong environmental performance can support access to green and sustainable financing through shareholder or group-level financing structures. Green bond proceeds raised by SQM S.A. were allocated to lithium projects that are now within Novandino’s operational perimeter, demonstrating the applicability of sustainable financing to these investments. The company is also exploring the potential to generate and sell carbon credits from eligible projects, creating an additional source of revenue from environmental initiatives.	Greater use of renewable energy, energy efficiency and lower-emission technologies can reduce exposure to energy and carbon costs, as well as energy price volatility and sudden price increases, while improving the carbon performance of Novandino’s lithium products.	Automotive, battery and industrial customers increasingly require traceability, responsible sourcing and strong environmental and ESG performance. Meeting these requirements can strengthen market access and customer relationships.	Growth in electric mobility and energy storage creates structural demand for lithium carbonate and hydroxide. In 2025, 87.56% of Novandino’s ordinary revenues were associated with New Energy applications.	Water recovery and reuse reduce resource requirements and support operating efficiency. In 2025, the PRS recovered 1,230,346 m³ of water, while 65% of water purchased by PQLC came from circular sources.	New extraction and recovery technologies, including DLE, are being evaluated to improve lithium recovery while reducing net brine extraction and freshwater requirements, lowering pressure on the Salar de Atacama ecosystem and supporting a more resource-efficient production model.
Primary financial effect	Increased access to capital	Reduced costs and energy price risk	Increased revenues from demand for products and services	Increased revenues from demand for products and services	Reduced direct costs	Increased production efficiency and potential production capacity
Time horizon	Short-term	Medium-term	Short-term	Already material in the reporting year	Already material in the reporting year	Medium-term
Magnitude	Medium-high	Medium-high	Medium-high	High	Medium-high	Medium-high
Strategy to realize opportunity	Maintain a pipeline of eligible investments supported by robust ESG reporting, environmental performance and external assurance, while coordinating with shareholders and financing entities.	Continue implementing energy-efficiency measures and progressively integrate renewable energy and lower-carbon technologies into operations.	Maintain internationally recognized sustainability standards, certifications and assurance processes, together with customer due diligence and ESG disclosure.	Strengthen production efficiency, product quality, reliability of supply and capacity to serve growing energy-transition markets.	Continue optimizing the PRS, water-reuse systems and resource-efficient production processes.	Advance engineering studies, pilot testing and environmental assessment of DLE, water recovery and controlled reinjection technologies under Salar Futuro.