Vicuña

Environment Policy

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Vicuña

ENVIRONMENT POLICY

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Vicuña

ENVIRONMENT POLICY

1. POLICY STATEMENT

Vicuña Co. is committed to the responsible development of mineral resources. We recognise the importance of preserving the environment for current and future generations. We seek to minimise our environmental impact while contributing to the socio-economic development of the communities in our spere of influence.

We commit to prioritising the environmental performance of all our projects and operations, throughout the full mining lifecycle, to contribute to a low-carbon and nature-positive future over the long term. We seek to align with the International Council on Mining and Metals (ICMM) Principles and Performance Expectations, and support local and regional efforts to meet relevant United Nations Sustainable Development Goals.

2. SCOPE

2.1 Purpose: This policy governs how we will assess and address actual or potential impacts of our activities (direct, indirect, and cumulative) on the natural environment and ecosystem services.

2.2 Scope: This Policy applies to Directors, employees, contractors, and suppliers. We will take appropriate action where we identify non-compliance with this Policy by employees or third parties acting on our behalf.

2.3 Responsibility: The Sustainability Committee of the Board is responsible for review of this policy. Management of Vicuña Co and its subsidiaries are responsible for implementation of this policy.

3. OUR CONTEXT

Our primary current and proposed operational activities lie in the high Andean region. We recognise the importance of the Andean cryospheric landscape, the water resources which sustain wetlands and downstream users, and the overall health and resilience of the specialised ecosystems in this part of the high Andes. We understand the importance of the ecosystem services provided by the multiple-use zone of the San Guillermo Biosphere Reserve in which our mining and processing facilities will be located, and by the neighbouring San Guillermo National Park (an International Union for Conservation of Nature (IUCN) protected area).

We understand that the footprint of our operations extends to our effects on atmospheric carbon and that we are connected to the value chain of suppliers and those who use our products.

We recognise the deep connection of Indigenous peoples to their land and waters, and that Indigenous peoples and local communities are vital partners in the management and sustainable use of nature.

4. OUR APPROACH

4.1 Environmental regulation and compliance

We comply with relevant local, national, and international environmental laws, regulations, and standards and industry-specific codes of practice.

We obtain and maintain all necessary permits and licenses for our operations; build and maintain strong regulatory relationships, and advocate transparently for appropriate policies and regulations.

Vicuña

ENVIRONMENT POLICY

4.2 Environmental stewardship

We adopt a risk-based approach to study, assess and address actual or potential impacts (direct, indirect, and cumulative) on the natural environment and the ecosystem services it provides. We apply the mitigation hierarchy in the management of environmental risks, with the ambition of achieving a minimum of no-net-loss of biodiversity by completion of closure.

We respect legally designated protected areas and ensure that any new operations or changes to existing operations are compatible with the objectives for which the protected areas were established. More broadly, our activities are consistent with the recognised environmental values of the landscape where we operate.

We do not explore or mine in a manner which creates a risk of direct impacts to ecosystems which could result in the extinction of an IUCN Red List Threatened Species in the wild.

4.3 Partners and stakeholders

We engage with Indigenous Peoples, land connected peoples and local communities to better appreciate the historical, legal, social, environmental, cultural, and political landscape and how to better manage the environment we share.

We partner with suppliers, customers, and key stakeholders to support value chain action on environmental topics by identifying and acting upon priority opportunities.

4.4 Climate change

We recognise that the world's management of climate-related risks and its stewardship of nature are inextricably linked, in that climate change is expected to increase the pressures on nature. We implement measures to improve energy efficiency, contribute to a low-carbon future and support ecosystem resilience.

4.5 Water stewardship

Aligned with the ICMM Water Stewardship Position Statement and the United Nations Sustainable Development Goals, we support a world where water resources are conserved and resilient so they can continue to support ecosystems, maintain cultural and spiritual values, and sustain economic growth. We implement water stewardship practices that provide effective and efficient operational water management and collaborate with stakeholders at a catchment level to achieve responsible and sustainable water use and quality.

We will identify the contribution that cryospheric features make to regional water resources and ecosystem replenishment and use this to guide the design and management of our facilities.

Vicuña

ENVIRONMENT POLICY

4.6   Biodiversity

Aligned with the ICMM Nature Position Statement, we are committed to safeguarding biodiversity by minimizing the impact of our activities on ecosystems and wildlife. We implement biodiversity action plans and monitor biodiversity health and richness throughout the life cycle of our operations with a focus on continuous evaluation to adjust and improve management measures.

4.7   Pollution prevention and waste management

We implement strategies to prevent pollution of air, water, and soil. We manage mined materials to avoid or minimise potential pollutants including acid mine and tailings drainage and control dust and air emissions to minimise effects on the surrounding environment.

In project design, construction, operation, and closure, we implement cost-effective measures for the recovery, re-use or recycling of energy, water, natural resources, and materials, wherever possible; and dispose of hazardous substances in both a safe and environmentally responsible manner.

We do not use aqueous film forming foams (AFFF) containing per and poly-fluoroalkyl substances (PFAS).

4.8   Closure

Through all phases of the mine lifecycle, and in particular the design phase where the opportunity to influence is greatest, we aim to leave a safe, sustainable, and productive landscape for future generations.

Consistent with the ICMM Principles, we will plan and design for closure in alignment with regulatory requirements and in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provision to enable agreed closure and post-closure commitments to be realised.

We will pursue progressive restoration, rehabilitation, and/or reclamation where feasible, and commence with offsets for residual adverse impacts as early as possible.

4.9   Continuous improvement and transparent disclosure

We implement an Environmental Management System aligned to ISO 14001. We integrate environmental management considerations into business decision-making tools and processes.

We are committed to continual improvement, and regularly review our environmental performance, set measurable targets, and update our practices to align with evolving environmental standards and global sustainability goals.

Consistent with the ICMM Mining Principles, we ensure independent verification of our environmental performance and report our performance transparently following the GRI Reporting Standards

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