

> ANNUAL REPORT

2020



MINSUR

**World-class
Peruvian mining**

> ANNUAL REPORT

2020

› TABLE OF CONTENTS


CONTENT	PAG
1. OUR COMPANY	9
1.1 VISION, MISSION AND VALUES	17
1.2 BOARD OF DIRECTORS AND MANAGEMENT STRUCTURE	18
1.2.1 Minsur Board of Directors	18
1.2.2 Managers	19
2. ECONOMIC AND SECTORAL CONTEXT	20
2.1 ECONOMIC ENVIRONMENT	20
2.2 SECTORAL ENVIRONMENT	22
2.3 MARKET PERFORMANCE	23
3. OPERATIONAL PERFORMANCE	25
3.1 MINING UNITS AND PROJECTS	25
3.1.1 San Rafael MU	25
3.1.2 SPR of Pisco	27
3.1.3 Pucamarca MU	28
3.1.4 Minera Taboca	29
3.2 EXPLORATIONS	31
3.3 HUMAN RESOURCES	35
3.4 SOCIAL MANAGEMENT	38
3.5 ENVIRONMENTAL MANAGEMENT	43
3.6 OCCUPATIONAL HEALTH AND SAFETY	48
3.7 COMMERCIALIZATION	51
4. RESULTS	52
4.1 FINANCIAL RESULTS	52
4.2 LIQUIDITY	55
4.3 CAPITAL AND FUNDING	55
4.4 STAFF RESPONSIBLE FOR PREPARING THE FINANCIAL STATEMENTS	56

CONTENT	PAG
5. GENERAL INFORMATION	57
5.1 CORPORATE NAME	57
5.2 CORPORATE PURPOSE AND TERM	57
5.3 INCORPORATION AND REGISTRATION	57
5.4 ECONOMIC GROUP	57
5.5 SOCIAL CAPITAL, NUMBER AND NOMINAL VALUE OF SHARES	58
5.6 TYPES OF SHARES AND SHAREHOLDING STRUCTURE	58
5.7 EVOLUTION OF STOCK PRICE	60
5.8 TAX TREATMENT	60
5.9 JUDICIAL, ADMINISTRATIVE OR ARBITRATION PROCEEDINGS	61
6. CORPORATE GOVERNANCE	63
6.1 PROFESSIONAL TRAJECTORY OF DIRECTORS	63
6.2 OTHER ASPECTS RELATED TO THE BOARD OF DIRECTORS	66
6.3 PROFESSIONAL TRAJECTORY OF MANAGERS	66

STATEMENT OF RESPONSIBILITY

The document hereof provides truthful and sufficient information on the development of businesses of Minsur S.A. in 2020. Notwithstanding the responsibility of the issuer, the signatories are liable for its content pursuant to applicable statutory provisions.

Lima, March 24 of 2021.



Juan Luis Kruger Sayán
General Manager



Fortunato Brescia Moreyra
President of the Board of Directors

LETTER FROM THE PRESIDENT OF THE BOARD OF DIRECTORS

Dear shareholders:

On behalf of the Board of Directors of Minsur S.A., I share with you our Annual Report and Financial Statements for Fiscal Year 2020, which show our activities, performance, challenges and the most relevant achievements of our operations.

2020 has been a challenging year, marked by the Covid-19 health crisis. Due to the pandemic we had to take strict measures to restart our operations and mitigate health risks to our collaborators, suppliers and community. We implemented innovation processes that were developed in former periods to address this new reality, and because of them a large number of our collaborators were able to perform their tasks remotely. Changes to the shift schedules of our operations' staff allowed us to resume activities in our units under strict health controls, both for our own employees and our contractors. Our investments and efforts allowed us to close the year with auspicious results: at the end of 2020 our Mina Justa Project is 99% complete, and it is expected start operations in the first quarter of 2021.

We continued working with our sustainability, innovation and excellence approach, hand in hand with new work tools. Furthermore, we have strengthened our relationship with our neighboring communities by focusing our social investment on strengthening their capacity to respond to the pandemic, without neglecting our previous commitments to them.

In the midst of a context that impacts all of us personally, the results achieved are mainly due to the responsible and coordinated work of collaborators, suppliers, customers, shareholders and members of the Board of Directors. Thanks to them, we keep making Minsur S.A. a world-class Peruvian mining company.

I now invite you to read our 2020 Annual Report.



Fortunato Brescia Moreyra
President of the Board of Directors

LETTER OF THE GENERAL MANAGER

Dear Shareholders:

I am pleased to present hereby our 2020 Annual Report and Audited Financial Statements. In this document and its annexes, you will find relevant information of last fiscal year's management, pursuant to the requirements set forth by the Peruvian securities authority (SMV).

In 2020 we focused our efforts and activities mainly on our collaborators' health, both those who are part of Minsur and those who work with us. We aligned ourselves to all the measures imposed by the government to counter the global COVID-19 pandemic, and this led to suspend operations for a little more than two months, until we were able to safely restart our activities, mitigating the risk of transmission in our operating units and projects.

When the health emergency was declared, our first priority was working on the development and implementation of strict protocols to ensure the good health of our staff and contractors who had to enter our operations and projects. Furthermore, thanks to the progress we made digitalizing our operations and processes before the pandemic started, we were able to very rapidly enable remote work for all our administrative workers in a very effective manner.

Due to the quick reaction of Minsur's team to the pandemic, we were the first mining company that received official authorization to restart operations. Our collaborator's commitment and professionalism allowed our operations to remain Covid-19 free and establish effective epidemiological fences when positive cases were detected. The physical health of our staff was not our only priority; working conditions in the mine site and the threat posed by the pandemic at the personal and family level led us also to implement measures to protect our collaborator's mental health. The company did not spare any economic resources to fight the pandemic; Covid-19-related costs, expenses and investments in 2020 amounted to US\$ 40 millions.

Our commitment went beyond our employees and contractors, reaching also our neighboring communities, with whom we shared our health standards and measures to respond to the pandemic since the beginning of the health emergency. Our collaboration, together with the authorities' and organized society's work, allowed establishing Covid-19 prevention and action plans in our areas of direct influence. Through these plans, appropriate health controls and standards were established for the community, and we worked to strengthen their health systems, including their infrastructure, equipment and medical staff. Among these measures we shall highlight the donation and installation of five oxygen plants that allowed providing proper care to most critical patients, the implementation of Antauta's healthcare center and a Covid-19 isolation center, the donation of hospital beds for Puno, among others. We did all these in close collaboration with local and regional authorities.

School education was another area of significant impact and focus of our activities during the pandemic. Thus, we provided conditions for local students to be able to benefit from the governmental plan "Aprendo en Casa" ("I learn at home"), enhancing internet and local TV signal, and delivering tablets for free. As a result, we strengthened the government's efforts to maintain educational services in our areas of influence. Donations and direct support amounted to around US\$ 5 million in 2020. All these efforts are a real testimony of our commitment with, and solidarity to, the communities we interact with.

Another key aspect of our management during the pandemic was the close communication and coordination with our main stakeholders, including our collaborators, customers, shareholders, communities and authorities. We constantly provided information on the government's decisions that affected our activities, as well as on the internal measures that allowed us to restart our operations. Thus, once our operations were resumed, we restarted shipping our products and fulfilling our contract obligations, receiving our customers' recognition for the work we have done.

Our response to the pandemic allowed us to successfully continue with our production activities and our main projects. In the second half of the year, we were able to partially recover production losses caused by the shutdown, closing the year only 4% below the originally budgeted gold production and 15% below the budgeted tin production, having been paralyzed for almost 20% of the year. Due to the pandemic, we established an economic disaster plan, reducing or removing costs, expenses and investments that were not strictly essential to ensure the safety, health and continuity of our operations and projects.

In the last quarter tin prices recovered above the originally budgeted price, which helped us somewhat mitigating the impact on incremental costs and expenses associated to Covid-19. As a result, and thanks to our cost containment efforts, better prices and the good performance of our operations, we managed to close the year with an EBITDA of US\$ 238 million, reaching an EBITDA margin of 47%, higher to that originally budgeted before the pandemic started.

In 2020, we made great progress in our expansion projects. The production ramp-up initiated at the end of 2019 in our new B2 Tailings Reusing Plant was consolidated, and the plant started fully operating, thus contributing to maintaining production volume and ore grade requirements demanded by our Pisco smelting plant. Furthermore, Mina Justa copper project's progress reached 99%, within the cost budget approved by Marcobre's Board of Directors, and it is about to start operations in the first quarter of 2021.

Without a doubt, 2020 has been a hard year for all of us and for our business, but our personal and family lives have suffered the pandemic's greatest impacts. Unfortunately, we have suffered human losses among our relatives and some collaborators and contractors. I want to express our most heartfelt condolences.

Despite the personal and family difficulties, our human team proved its great commitment, dedication and resiliency during this very hard year. I want to express my appreciation to all our collaborators, contractors, and their families. Without the hard work and the sacrifices made we wouldn't have been able to continue on the road to consolidate our position as a world-class Peruvian mining company that is efficient, innovative and committed to sustainable development. Once again, thank you very much.

Last but not least, I would like to thank the commitment and permanent support of our shareholders, customers, suppliers and the communities of our area of influence, which have been essential to cope with a very challenging year in 2020.



Juan Luis Kruger
General Manager

01. OUR COMPANY



Minsur Sociedad Limitada was established in 1996. It was the Peruvian branch of Minsur Partnership Limited in Bahamas, which was acquired by the Breca Group in 1977 to transform it in Minsur S.A., a 100% Peruvian company.

After such acquisition and for some years, copper was our main product in the now San Rafael MU. Years later, copper was mined occasionally and in a smaller scale. In 1992, tin became the only metal produced in such unit. Since 1996, our company has the Smelting Plant and Refinery (SPR) of Pisco to process tin ore produced in San Rafael.

In 2008, through Minera Latinoamericana S.A.C. -in which we are the majority shareholders- we became the main shareholder of Mineração Taboca S.A., which mines tin, niobium and tantalum from the Pitinga mine (Brazil) and is also owner of the Smelting Plant of Pirapora (São Paulo). Furthermore, Minera Latinoamericana S.A.C. -through subsidiaries- is also shareholder of Melón S.A., leading company in the production and commercialization of cement, concrete, mortars and aggregates in Chile.

On the other hand, Cumbres del Sur S.A.C. -in which Minsur S.A. is the majority shareholder since November 1, 2020- absorbed Compañía Minera

Barbastro S.A.C., who has a polymetallic project in Huancavelica and Minera Sillustani S.A.C., who owns several concessions in Puno region.

We are also a shareholder of Cumbres Andinas S.A.C., holding 60% of its shares. This Company is the owner of 99.99% of the stock capital of Marcobre S.A.C., who is developing the copper ore project called Mina Justa in San Juan de Marcona (Ica); this project will process copper sulfides and oxides into cathodes and concentrates.

Thus, our company's cornerstone is comprised by assets that give us a competitive advantage that are of a high grade or have low production costs. This encourages us to focus on basic metals, such as tin and copper, and precious metals, such as gold. At the end of FY 2020, our mining concessions reached 256,614.44 hectares.

For over 40 years we have been committed to ethics and social corporate responsibility, as well as to the development of Peru. We meet the highest quality and safety standards, using state-of-the-art technology and working under the highest international standards.

Likewise, risk prevention and detection are the base of our management system, which allows us

managing operations and projects at different stages of the mining cycle. Thus, we ensure safety, health and the development of communities, as well as the protection of the environment.

As part of our continuous improvement process, we were admitted in the International Council on Mining and Metals (ICMM) in 2018, which gathers

27 leading mining companies from around the world and over 30 regional associations. ICMM vision is to make the metal mining a respected industry trusted to operate responsibly and to contribute to sustainable development. We are the first Peruvian mining company, the third in Latin America, and the world's first tin producer admitted to this institution.

Our operations and projects

	Location	Company	Unit / project	Main products
Operations	Puno, (Peru)	Minsur S. A.	San Rafael MU	Tin
	Ica (Peru)	Minsur S. A.	Smelting plant and refinery	Tin
	Tacna (Peru)	Minsur S. A.	Pucamarca MU	Gold
	Sao Paulo, (Brasil)	Mineração Taboca S. A.	Pitinga MU SPR of Pirapora	Tin and ferroalloys
Exploration projects	Puno (Peru)	Minsur S. A.	Santo Domingo	Tin
	Puno (Peru)	Minsur S. A.	Nazareth	Tin
	Huancavelica (Peru)	Cumbres del Sur S.A.C	Mina Marta	Copper
Expansion projects	Ica (Peru)	Marcobre S. A.C	Mina Justa	Copper
Closing mines	Puno (Peru)	Cumbres del Sur S.A.C	Mina Regina	NA
	Huancavelica (Peru)	Cumbres del Sur S.A.C	Mina Marta	NA

Our operations

At the end of FY 2020, we have 5 operations: 3 in Peru and 2 in Brazil.

San Rafael UM

- » Location: Melgar province, Puno, department, Peru
- » Start of operations: 1977
- » Estimated life of mine: 8.1 years
- » Type of operation: underground tin mine.
- » Processes: concentration and flotation
Average ore grade 2020 (processing): 1.90%
- » Production in 2020: 17,458 tons of tin
- » Certifications: ISO 14001, ISO 9001, OHSAS 18001

San Rafael MU works with the innovative ore sorting process, a German technology that analyzes rock composition using X rays, and identifies those with tin content. This enables us to sort them according to their ore grade. In 2020, a part of this plant's operations was conducted using the double sorting method.

Likewise, in 2020 operations were supported by the new B2 Tailings Reuse Plant (B2 Plant). This Plant allows recovering tin from tailings stored in the B2 dam that come from the first operations conducted in the mine.

B2 Tailings Reuse

- » Location: Melgar province, Puno department (Peru)
- » Mineral: concentrated tin
- » Average tin grade 2020 (processing): 0.82%
- » Production in 2020: 3,190 tons of tin

San Rafael MU has currently a reuse tailings plant for tailings from the B2 tailings dam, which had high tin concentration during the first years of exploitation. This project has a concentrator with a nominal production capacity of 2,500 tpd and a life of mine of 9 years.

It is worth emphasizing that both tailing treatments and their final disposal were designed under international standards and the best

practices of the industry. Thus, Minsur contributes to the proper implementation of new technologies for appropriately closing the mine, according to requirements and pursuant to the highest environmental standards.

At the beginning of the year, we completed the ramp-up stage to continue with the beginning of operations, where the expected designed parameters were reached.

SPR of Pisco

- » Location: Pisco province, Ica department (Peru)
- » Start of operations: 1996
- » Type of operation: tin smelting and refining
- » Processes: submerged lance smelting furnace
- » Average grade of fed tin concentrate in 2020: 39%
- » Production in 2020: 19,592 tons of tin
- » Certifications: ISO 14001, ISO 9001, OHSAS 18001

The Smelting Plant and Refinery (SPR) of Pisco is the final operational arm of San Rafael MU for producing and selling refined tin. The SPR is one of the world's first operations using the submerged lance technology to process tin concentrate, which allows cost and production-time efficiency. Thanks to that, we have an average purity of 99,95%, and world-class tin -based alloys.

In 2020, the furnace was partially fed with the concentrate produced in the new B2 plant, located in San Rafael. In Pisco, we increased the furnace's capacity through initiatives implemented under the Lingo methodology, thus processing 5,915 tons of concentrate in December 2020 (the best result in the last 13 years).

Pucamarca MU

- » Location: Palca province, Tacna department (Peru)
- » Start of operations: 2013
- » Estimated life of mine: 6 years
- » Type of operation: open pit mine of gold (main) and silver.
- » Processes: Absorption, Desorption and Recovery (ADR)
- » Average ore grade 2020: 0.48 grams per ton (g/t)
- » Production in 2020: 80,215 ounces of gold
- » Certifications: ISO 14001, ISO 9001, OHSAS 18001

Pucamarca MU is located at the border with Chile. Through the crushing and leaching processes ore size is reduced and metal is separated from the rock. Then, it is smelted in an electric furnace to obtain dore bars of 60 % to 70 % of purity.

Pitinga MU

- » Location: State of Amazonas (Brazil)
- » Start of operations: 1982
- » Estimated life of mine: 31 years
- » Type of operation: tin, niobium and tantalum open pit mine
- » Processes: concentration and flotation
- » Treated ore grade 2020: 0.198% of tin and 0.263% of niobium and tantalum
- » Production in 2020: 6,148 tons of tin contained in concentrate and 3,484 tons of ferroalloys (FeNb, FeTa)
- » Certifications: ISO 9001

Pitinga MU has an estimated life of mine of 31 years. It was acquired in 2008 through our subsidiary, Minera Latinoamericana S.A.C.

In 2020, we continued improving the fragmentation process, by changing the mining plan to optimize transport levels and mean distance, in order to significantly increase ore transport efficiency. Furthermore, we consolidated operations in the new BMU's expansion.

SPR of Pirapora

- » Location: Sao Paulo state, (Brazil)
- » Start of operations: 1973
- » Type of operation: smelting plant and tin refinery
- » Processes: electric smelting furnace
- » Treated ore grade 2020: 47.2%
- » Production in 2020: 5,479 tons of tin
- » Certifications: ISO 9001, ISO 14001

The Smelting Plant and Refinery (PFR) of Pirapora receives the tin production from Pitinga MU. The SPR processes cassiterite concentrates and turns them into high-quality refined tin of 99.97% of purity.

In 2020, we optimized the operational processes for in-furnace treatment, through the feeding formula and tin (Sn) concentrate consumption as sinter. Furthermore, the production processes referred to the processing of recirculating ore were stabilized. Thus, we offset the low tin ore grade of Pitinga's concentrate.

Our projects

Mina Justa

- » Location: Nasca province, Ica department (Peru)
- » Mineral: copper
- » Total investment as of 31.12.2020 US\$: US\$ 1,546.40 MM
- » Project's total progress as of 25.12.2020: 98.8%
- » Construction total progress as of 25.12.2020: 99.6%

Mina Justa is located 500 km south of Lima and 35 km away from the San Juan de Marcona district (Nasca province, Ica region). It is an open pit copper mine with a life of mine of 16 years, and which initial capital investment amounts to USD 1,826.9 MM.

The future mine is comprised by 2 types of resources: a superficial layer of copper oxide and a massive and deep body of copper sulfides. The mining operation will use seawater instead of freshwater. It will start commercial operations in 2021.

Marcobre's shareholders are Minsur S.A. ("Minsur") and Cumbres Andinas S.A.C. ("Cumbres Andinas"), with the latter owning 99.9% of shares. Likewise, Minsur and Alxar Internacional SpA are shareholders of Cumbres Andinas, with 60% and 40% of shares, respectively.

Under an Engineering, Procurement and Construction Management (EPCM) agreement, entered into on November 17, 2017, Marcobre hired Ausenco Perú S.A.C. to manage the project's construction stage, as well as its facilities' engineering, procurement and construction.

2020 was an atypical year in several aspects. Because of the global COVID-19 pandemic, we developed a COVID-19 Surveillance, Prevention and Control Plan and the following protocols to mitigate transmission risks: control of incoming merchandise, social isolation at Mina Justa, health measures in external accommodations, quarantine hotels' protocols, communication and social assistance to collaborators and people who tested positive for COVID, solid waste management, online work, mobilization and demobilization and preventive management of risk groups.

Likewise, cost-mitigation measures were implemented, such as the optimization of resources, as well as labor, contractual, organizational and operational measures. All these measures, once implemented, allowed us to continue with the construction of the project without affecting its viability, under a new schedule and Execution Plan called Baseline Three ("LB3") whose total value was approved for US\$ 1,826.9 MM.

In the Sulphide Plant, during 2020, the main electromechanical assembly works of all the crushing, classification, grinding, flotation,

thickening and concentrate filtering equipment were completed. Completion of the lighting, instrumentation and control systems as well as the preliminary tests for the plant's start-up are planned for the first months of 2021.

Regarding the oxide plant, in 2020 the main electromechanical assembly works, crushing, classification, acid mixing, leaching ponds, tailings discharge, solvent extraction and electro-winning systems were also carried out. Completion of the lighting, instrumentation and control systems as well as the preliminary tests for the plant's start-up are planned for the first months of 2021.

It is important to mention that the first deliveries were made to the Operations department of the

different areas of the project, such as: the truck workshop, tailings dam, multi-buoy port, acid tanks in mine and laboratory at the oxide plant.

Regarding the most relevant permits, in 2020 we were notified of the approval of the Port Authorization Modification for the construction of the Multi-buoy Terminal and the approval of the Chemical inputs and controlled substances-IQBF registration (sulfuric acid) to be used in the mine's operational activities.

At the end of 2020 we have almost completed the construction stage, and we are ready to complete the commissioning process, to start-up the plants and start commercial production at Mina Justa in 2021.



Our exploration projects

We aim at identifying new deposits that may be exploited in future mining projects. At the end of 2020, our exploration portfolio grew with 41,100 hectares of new concessions. Currently, such portfolio and that of Minsur's subsidiaries have

256,614.44 hectares. It is worth mentioning that Minsur's portfolio of exclusive mining property amounts to 189,472.29 hectares. Thus, we ensure continuity of businesses.

Exploration project	Location
Nazareth	Location: Melgar province, Puno department (Peru) Mineral: tin Start: 2013
Mina Marta	Location: Huancavelica province, Huancavelica department (Peru) Mineral: copper and gold Start: 2012
Santo Domingo	Location: Melgar province, Puno department (Peru) Mineral: tin, silver, lead, zinc and gold Start: 2013
Quimsachata	Location: Caylloma province, Arequipa department (Peru) Mineral: copper and gold Start: 2008
Lara	Location: Ayacucho department (Peru) Mineral: copper and molybdenum Start: 2020
Sumac Wayra	Location: Huaura province, Lima department (Peru) Mineral: copper and molybdenum Start: 2021
Colorada	Location: La Libertad department (Peru) Mineral: gold and silver Start: 2021
Amancaes	Location: Santiago de Chuco province, Ancash department (Peru) Mineral: copper and molybdenum Start: 2021
Suyana	Location: Lima department (Peru) Mineral: copper and molybdenum Start: 2021
Pucaccasa	Location: Ica department (Peru) Mineral: copper and molybdenum Start: 2021

1.1. VISION, MISSION AND VALUES

Our company's mission, vision and values reflect our commitment with a responsible management that drives sustainability at all levels

of the organization: from the decision-making process to their implementation. Moreover, they unify the course of action of the whole staff.

Mission

Generate value transforming mineral resources in a sustainable manner.

Vision

Develop and operate world-class mining assets, as a benchmark in terms of safety, operational efficiency, socio-environmental responsibility and people development.

Our values



Safety

We develop all our activities in a safely manner



Responsibility

We respect all our stakeholders and we are socially and environmentally responsible.



Integrity

We act with absolute honesty, transparency and respect.



Commitment

We fulfill our commitments, we are persevering.



Excellence

We want to be the best in what we do.



Trust

We build relationships based on trust, we are honest, authentic and supportive



1.2. BOARD OF DIRECTORS AND MANAGEMENT STRUCTURE

Our Board of Directors is the highest executive body of corporate governance. It is comprised by a President, a Vice-President, six Directors -two of which are independent- and an alternate Director. The professional career of our Directors is outstanding, and -in most cases- it is based on their experience in the mining industry.

The multidisciplinary skills of the members of our Board of Directors contribute to a plurality of approaches and perspectives. Furthermore, it is worth mentioning that the President of the Board of Directors does not have the casting vote.

1.2.1. Minsur's Board of Directors

President	Fortunato Brescia Moreyra
Vice President	Alex Fort Brescia
Directors	Rosa Brescia Cafferata viuda de Fort
	Mario Brescia Moreyra
	Pedro Brescia Moreyra
	Jaime Araoz Medanic
	Miguel Aramburú Álvarez-Calderón
	Patricio de Solminihać Tampier

Our Board of Shareholders debates on and proposes the members of the Board of Directors, thus allowing the election of Alternate Directors. Currently, our alternate director is Miguel Ángel Salmón Jacobs. There are two Committees in the Board of Directors:

- » **The Audit, Risk and Compliance Committee.**
It is responsible for: reviewing the audit plan; monitoring the results of internal audits, the risk matrix and mitigation plans; as well as for verifying performance against the Code of Ethics and our Integrity Channel. These duties were formerly conducted by a Corporate Committee with the same name at the level of Breca Group.
- » **The Talent Committee**
It is responsible for validating performance of the General Manager's direct reports and the performance bonus for direct reports; reviewing direct reports' salaries and development plans; among other duties.

The company is led by a General Manager, who has an executive team comprised by a Corporate Manager and 7 Directors. Within this framework we have established a Compliance Committee and a Crisis Management Committee. The first is in charge of supervising the proper development of our Corporate Code of Ethics and Conduct; and the second one is a key body to address significant events affecting our operations related to health, life, the environment, communities, corporate image and reputation, as well as infrastructure, processes and equipment issues.

In June 2019 we created the Social Management Committee, which is comprised by Minsur’s Social Management leaders, the EXCO (Executive Committee) and representatives of external communication and risks. Through monthly meetings, this Committee aims at clarifying social risks, reviewing the strategic plan’s scope, and pointing out the most significant projects for the communities in our areas of influence.

1.2.2. Managers

Our organizational structure is adapted to our operations’ growth and diversification. Leadership is one of the basic skills of our Directors, which has a positive impact on our corporate management. All of them are chosen based on their talent, trajectory and values. Moreover, their commitment, professionalism and experience contribute to a dynamic and horizontal work environment, in line with modern management.

In this context, in 2019 we created the Transformation and Strategy Management, which is in charge of projects such as LINGO and the Value Creation Initiative (VCI).

Therefore, our structure adapts to changes to meet the strategic objectives established during the last year.



General Manager	Juan Luis Kruger Sayán
Corporate Project Manager	Yuri Alfredo Gallo Mendoza
Chief Operating Officer	Luis Argüelles Macedo
Director of Corporate Affairs	Gonzalo Quijandría Fernández
Director of Finances	Joaquín Larrea Gubbins
Director of Transformation and Strategy	Diego Molina Henríquez
Director of Logistics and IT	Ralph Alosilla-Velazco Vera
Director of Human Resources	Álvaro Escalante Ruiz
Director of Internal Audit	Hik Park

02. ECONOMIC AND SECTORAL CONTEXT

2.1. ECONOMIC ENVIRONMENT

In 2020, the Peruvian economy contracted with a GDP fall of 11.1%, as compared to the previous year, bringing the real annual GDP to 486 (S/. MM). This growth rate is the lowest in three decades, mainly due to the restrictions imposed by the government to counteract the COVID-19 pandemic, and it interrupts 22 years of consecutive growth. This was the result despite the progressive reopening of economic activities that began in May, this year, with stage 1.

GDP by economic sector Percentage variation of the physical volume index as compared to the same period in the former year 2020

Sector	2016	2017	2018	2019	2020
Agriculture and livestock	2.7	2.8	7.8	3.2	1.3
Fishing	-10.1	4.7	47.7	-25.9	2.1
Mining and hydrocarbons	16.3	3.4	-1.5	0.0	-13.2
Manufacturing	-1.4	-0.2	5.9	5.9	-13.4
Construction	-3.2	2.1	5.3	1.5	-13.9
Trade	1.8	1.0	2.6	3.0	-16.0
Services	4.0	3.3	4.4	3.8	-10.0

On the domestic demand side, the GDP contraction was driven by lower private consumption (8.7%) and lower investments (21.6%), both public and private. Despite this, public consumption increased (7.5%) mainly due to higher spending in public health, as well as in public administration and defense. Mining investment during 2020 was US\$ 4,334 M, 29.6% lower as compared to 2019, it is worth emphasizing that 15% of the total investment was executed in December 2020.

Inflation, measured by the evolution of the consumer price index of Metropolitan Lima, was 1.97% in 2020, with a monthly average rate of 0.16%. It is within the target range established by the Central Reserve Bank of Peru. This result was mainly influenced by price increases in the food, leisure, education services, housing rental, and health care and conservation sectors.

Regarding public finances, the fiscal deficit was 8.9% of GDP, the highest since 1990. This result is explained by a higher public spending as compared to the previous year (14.6%) that aimed to offset the impacts of COVID-19, mainly through bond transfers, acquisition of medical supplies and support to local governments; as well as by lower fiscal revenues (15.8%) due to lower economic activity.

Regarding the balance of payments, the current account reached a surplus of 0.5% of GDP. This

result, which is the first surplus since 2007, is explained by the international markets' anticipation of the pandemic, which led them to adjust their parameters so as not to interfere with international trade. This year's result is due to the progressive increase in exports after the restrictions imposed in March, April and May. Imports behaved similarly to exports. It should be noted that the mining sector was the most affected by the delay in economic reactivation.

Main macroeconomic indicators

Indicators	Unit	2016	2017	2018	2019	2020
GDP growth rate	%	4.0	2.5	4.0	2.2	-11.1
Growth in domestic demand	%	1.1	1.4	4.3	2.3	-9.8
Fiscal balance	% of GDP	-2.6	-3.2	-2.5	-1.6	-8.9
Current account balance	% of GDP	-2.7	-1.2	-1.7	-1.5	0.5
Inflation	%	3.2	1.4	2.2	1.9	2.0
Exchange rate	S/ per Dollar, end of FY	3.36	3.24	3.38	3.32	3.6

In the international scope, the year 2020 was marked by the COVID-19 pandemic, which led to a global economic recession. In Latin America alone, the GDP dropped 8.1%, and it also had serious health and social consequences. In 2020, the United Kingdom's exit from the European Union became effective and it became the first member to withdraw the EU after 47 years. Regarding U.S.-China relations, during President Trump's

term in office he mentioned that the Asian country had caused the death of millions of people due to COVID-19, which increased tensions between the two countries. Both economies experienced an economic slowdown, and the same happened to all other countries worldwide. In United States the GDP fell 3.5%, which represents the biggest drop since 1946, while in China the GDP grew only 2.6%, which was its lowest evolution since 1976.

2.2.SECTORAL ENVIRONMENT

The metal mining sector suffered a fall in production as compared to the previous year, mainly due to government restrictions in response to COVID-19. This was evidenced by a lower production of gold (32%), silver (22.5%), lead (21.9%), copper (12.5%), iron (12.1%) and zinc (5.3%); however, the production of molybdenum and tin grew. On the investment side, Quellaveco, Marcobre and Antamina represent 49.1% of the total invested amount (US\$ 4,334 M).

Domestic copper production increased progressively after the restrictions were lifted; during the last quarter, production represented 29.6% of the annual total production. The company with the largest copper production is Southern Peru Copper, followed by Antamina and Cerro Verde, which together represent 56.1% of the total production.

For gold, the drop was more pronounced as compared to other metals because most of it is produced by underground mining, where implementation of COVID-19 protocols is more complex than in open-pit mines. The main gold producing regions are still La Libertad, Cajamarca and Arequipa. Yanacocha, Minera Poderosa and Minera Retamas account for 27.1% of total gold production.

As for zinc, Ancash is the region with the highest production in the national territory and this metal is mainly represented by Antamina, Nexa Resources and Volcan, who account for 44.4% of the domestic production.

In the international context, in 2020 metal prices fell in the case of zinc (11%) and tin (7.4%), while the price of copper grew 2.9%. Regarding precious metals, gold and silver grew 27.2% and 26.8%, respectively.

Percentage variation of mining production growth (%) 2020

Sector	2016	2017	2018	2019	2020
Copper	40.1	3.9	-0.4	0.8	-12.5
Gold	4.2	-1.2	-6.1	-8.4	-32
Zinc	-5.9	10.2	0.1	-4.7	-5.3
Silver	6.6	-1.6	-5.8	-7.2	-22.5
Molybdenum	27.8	9.2	-0.4	8.6	5.7
Lead	-0.4	-2.4	-5.7	6.6	-21.9
Iron	4.7	14.9	8.3	6.1	-12.1
Tin	-3.7	-5.2	4.6	6.7	4.0

2.3. MARKET PERFORMANCE

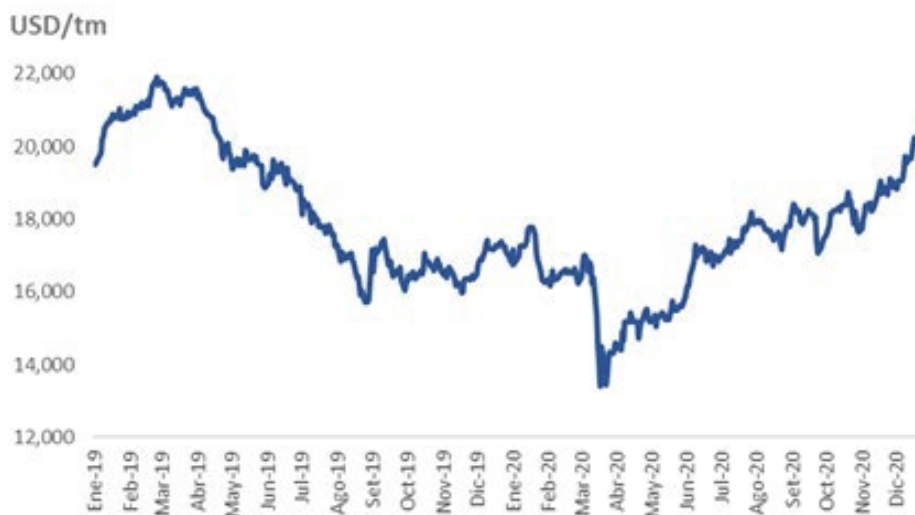
Tin

In the first quarter of 2020 tin price plummeted 15% to US\$14,400/mt due to lower industrial consumption and lower global demand expectations, caused by the lockdowns declared worldwide after Covid-19 pandemic started.

During the second and third quarter, tin recovered 21% to USD 17,463/mt, which is explained due to the gradual lifting of lockdown measures worldwide and a recovery in the main economic indicators: expectations, PMI, employment generation, retail sales and finally the GDP.

In the fourth quarter, the world's main tin producers in the Asian southeast experienced disruptions in their operations due to a heavy rainy season, which reduced significantly the global production, thus increasing the price by an additional 18% and closing the year at \$20,540/mt. Tin also benefited from the results of the U.S. elections in November, now with a government with a more aggressive fiscal policy plan that would offset potential increases in the U.S. tax rate.

International tin price (US\$ per ton) 2019-2020



Gold

In the first months of 2020, gold price consolidated between US\$ 1,517/oz and US\$ 1,680/oz. In March and April, the price fell due to the massive selling of this asset, exchanging it for cash, as a response to the COVID-19 arrival. This happened despite the U.S. fiscal stimulus provided by reducing the interest rate. Gold continues to be characterized by a sound global supply, together with a volatile demand supported by its use as a safe-haven asset.

Afterwards, in August, the price reached an unprecedented peak at a time when investors were seeking refuge from the second wave of COVID-19 and the impact it would have on the global economy. In the following months, demand fell and with it the price due to the news about the COVID-19 vaccine, closing the year with a price of US\$ 1,898/oz.

International Price of gold (US\$ per ounce) 2019-2020



03. OPERATING PERFORMANCE



3.1. MINING UNITS AND PROJECTS

3.1.1 San Rafael MU

Production in San Rafael fell 9% as compared to the previous year due to the restrictions decreed by the Government under the National State of Emergency caused by the Covid-19 pandemic. It is important to mention that during the year we received concentrates from the new Tailings

Reuse Plant B2, which became fully operational and reached all the estimated design parameters. Its contribution allowed us maintaining the volumes and ore grades required by the SPR of Pisco.

The B2 plant allowed us to exceed fine production, concentrate quality and metallurgical recovery parameters planned for this milestone. This plant will contribute with a production of 45,000 tons of fine tin during its estimated 9-year lifespan.

Output indicators

Category	Indicator	Unit	2017	2018	2019	2020
Mine	Extracted mineral	t	1'049,707	1'084,700	1'111,464	967,087
	Extracted ore grade	% Sn	1.52	1.56	1.66	1.90
	Progress	m	27,478	18,724	18,105	12,907
Plant	Treated mineral – Total plants	t	1'700,443	1'871,288	1'981,097	972,152
	Treated mineral – Concentrator Plant	t	1'101,853	1'134,926	1'159,299	985,426
	Treated ore grade	% Sn	1.75	1.75	1.86	1.90
	Total recovery	%	92.16	93.39	94.19	93.01
	Fine Sn	t	17,791	18,601	20,273	20,648
	Plant utilization	%	99.62	98.24	97.75	97.63
Mining unit	Cost per ton treated	US\$/tt	70.00	64.00	65.50	112.00

San Rafael MU indicators

Indicator	Unit	2017	2018	2019	2020
Diamond drilling	m	40,204	38,444	36,944	9,579
Resource volume					
» Calculated tonnage	t	1'539,390	1'921,096	1'481,961	355,900
» Calculated Sn grade	%	1.83	2.45	2.02	1.97
» Calculated fine Sn	t	28,134	47,109	29,970	7,028
Total concentrate produced	t	46,457	48,407	52,347	52,990
Total concentrate grade produced	%	38.30	38.43	38.73	41.28

Mineral Resources of San Rafael MU

Type	Location	Cut-Off Sn%	Kt	Sn%	Content Sn TM
Measured	Underground Stockpiles	0.48 0.23	4,331.6 65.7	2.69 0.64	116,400 400
Total Measured			4,397.3	2.66	116,800
Indicated	Underground Stockpiles	0.48 0.23	3,840.5 33.6	2.01 0.56	77,100 200
Total Indicated			3,874.1	2.00	77,300
Total Measured + Indicated			8,271.4	2.35	194,100
Inferred	Underground Stockpiles	0.48 0.23	2,895.2 0.5	2.57 0.73	74,500 0
Total Inferred			2,895.7	2.57	74,500

Reserves of San Rafael MU

Type	Location	Cut-Off Sn%	Kt	Sn%	Content Sn TM
Proven	Underground	0.51	3,227.0	2.38	76,700
Probable	Underground	0.51	2,826.6	1.92	54,200
Total Underground			6,053.6	2.16	130,900
Proven	Stockpiles	0.20	61.7	0.66	400
Probable	Stockpiles	0.20	29.0	0.60	200
Total Stockpiles			90,7	0.64	600
Total Reserves Underground + stockpiles			6,144.3	2.14	131,500

Notes:

- » Mineral resources are inclusive of ore reserves
- » Mineral resources are estimated using the price US\$ 21,373/t Sn (including a US\$ 373/t premium for the quality of refined Sn)
- » Ore reserves are estimated using the price US\$ 18,373/t Sn (including a US\$ 373/t premium for the quality of refined Sn)
- » The cut-off grade for underground reserves, shown in the table above, is equal to the average cut-off grade calculated for 4 different mining methods.
- » Reserves include ore contained in bridges and pillars, which extraction feasibility was defined by a study conducted by AMEC.

3.1.2. SPR of Pisco

In Pisco, refined tin production was in line with the previous year's production, as operations were affected by the restrictions decreed by the Government due to the National State of Emergency caused by the Covid-19 pandemic. It

is worth mentioning that during the year the furnace capacity increased due to the implementation of Lean methodologies (record number of concentrates treated in the last 13 years).

Production in Tons

Category	Indicator	Unit	2017	2018	2019	2020
Plant	Sn concentrate fed	Kt	46,619	48,139	51,860	53,307
	Sn grade in concentrate	%	38.45	38.38	38.50	38.83
	Marginal slag fed	Kt	36,792	30,915	11,903	188
	Sn in the marginal slag fed	%	1.31	1.30	1.11	1.11
	Rotatory furnace slag fed	Kt	1,036	1,091	3,052	1,530
	Sn grade in rotatory furnace slag	%	15.28	15.58	15.32	15.22
	Refined tin production	Kt	18,033	18,339	19,675	19,592
	Recovery	%	98.14	97.15	96.91	94.76
	Tin grade waste slag	%	0.61	0.58	0.55	0.60
	Smelter utilization	%	90.56	89.18	87.63	80.39
	Refinery utilization	%	48.75	48.16	54.40	45.04

3.1.3. Pucamarca MU

Gold ounce production was 21% lower as compared to the previous year, due to a decrease in the grade profile of the deposit considered in the Life of Mine Plan, and because operations

were affected by the restrictions decreed by the Government due to the State of National Emergency caused by the Covid-19 pandemic.

Output indicators

Category	Indicator	Unit	2017	2018	2019	2020
Mine	Treated mineral	t	7'715,582	8'242,116	8'251,414	7'586,147
	Extracted ore grade	g/t	0.5	0.6	0.6	0.5
PAD	In-PAD ore	t	7'801,777	8'219,641	8'281,726	7'572,278
	In-PAD ore grade	g/t	0.5	0.6	0.6	0.5
Plant	Gold ounces produced	oz	100,010	103,538	101,799	80,215
	Historical recovery	%	75.84	74.64	73.27	72.81
	ADR plant utilization	%	98.01	98.01	98.00	97.02
Mining unit	Cost per treated ton	US\$/tt	4.33	4.42	5.45	5.44

Mining resources of Pucamarca MU

Type	Cut-Off Au (g/t)	Mt	Au g/t	Content Au Koz
Measured	Variable	34.2	0.32	354.7
Indicated	Variable	19.7	0.32	204.4
Total Measured+Ind		53.9	0.32	559.1
Inferred	Variable	4.0	0.23	29.7

COG: Checocollo (0.063), Morrenas (0.099), Caldero (0.093)

Reserves of Pucamarca MU

Type	Cut-Off Au (g/t)	Mt	Au g/t	Content Au Koz
Proven	Variable	20.9	0.38	253.4
Probable	Variable	7.9	0.41	103.4
Total RESERVES		28.8	0.39	356.8

COG: Checocollo y Morrenas (0.07), Caldero (0.10)

Notes:

- » Mineral Resources are inclusive of Ore Reserves
- » Resources and Reserves are expressed within optimized pit shell limits, corresponding to three deposits: Checocollo, Morrenas and Caldero.
- » The Au price to estimate Mineral Resources is US\$ 1,800/oz.
- » A new alteration model applies to Checocollo
- » At Checocollo the limit for estimating resources and reserves at the Peru-Chile border has been considered in 50m, and at Morrenas in 30 m.
- » The Au price to estimate Ore Reserves is US\$ 1,600/oz.

3.1.4. Minera Taboca

a. PITINGA MU

In Pitinga, production of contained tin dropped 6,3% and ferroalloys dropped 10,7% as compared to the previous year, due to the impact of the COVID-19 pandemic throughout the year (operation shutdown, production return and

workforce reduction). Though production was lower as compared to the initial budget, tin production (20,5t) and ferroalloy production (118t) rose, as compared to what was planned for FQ3.

Pitinga MU: Output indicators

Category	Indicator	Unit	2016	2017	2018	2019	2020
Mine	Extracted mineral	t	6'384,275	6'998,528	7'052,053	6'985,024	7'338,931
	Sn grade in extracted mineral	%	0.20	0.20	0.20	0.20	0.20
	(NbTa) ₂ O ₅ grade in extracted mineral	%	0.25	0.27	0.27	0.26	0.26
Plant (concentration)	Ore treated in concentration	t	6'306,939	6'675,575	6'130,427	6'013,609	5'959,314
	Sn grade in ore treated in concentration	%	0.20	0.20	0.20	0.20	0.20
	(NbTa) ₂ O ₅ in ore treated in concentration	%	0.26	0.26	0.27	0.25	0.26
Plant (tin flotation)	Cassiterite	t	14,178	14,489	14,301	13,658	13,131
	Sn grade	%	48.49	48.19	47.64	48.02	46.82
	Tin content	t	6,875	6,983	6,814	6,559	6,148
Plant (metallurgy)	Columbite concentrate	t	4,664	8,901	10,430	10,004	9,345
	Ley (NbTa) ₂ O ₅	%	37.11	37.06	36.11	35.10	35.08
	Ferroalloys (FeNb, FeTa, FeNbTa) produced	t	1,840	3,119	3,981	3,904	3,484
	NbTa grade content	%	51.91	50.60	59.12	58.90	46.87
Mining Unit	Cost per treated ton	US\$/tt	18.6	18.8	20.2	20.7	15.80

Mineral Resources of Pitinga MU

Type	Cut-Off NSR (\$/t)	Mt	Grade			Content		
			Sn%	Nb ₂ O ₅ %	Ta ₂ O ₅ %	Sn MT	Nb MT	Ta MT
Measured	14.30	107.9	0.158	0.208	0.027	170,500	224,400	29,100
Indicated	14.30	222.2	0.112	0.198	0.027	248,900	440,000	60,000
Total Measured + Indicated		330.1	0.127	0.201	0.027	419,400	664,400	89,100
Inferred	14.30	177.0	0.094	0.192	0.026	166,300	339,700	46,000

Reserves of Pitinga MU

Type	Cut-Off NSR (USD/t)	Mt	Grade			Content		
			Sn%	Nb ₂ O ₅ %	Ta ₂ O ₅ %	Sn MT	Nb MT	Ta MT
Proven	14.30	95.3	0.168	0.210	0.027	160,200	200,100	25,700
Probable	14.30	115.7	0.140	0.204	0.027	161,700	236,100	31,200
Total RESERVES		211.0	0.153	0.207	0.027	321,900	436,200	56,900

Notes:

- » Mineral Resources are inclusive of Ore Reserves.
- » The Sn price used to estimate Mineral Resources is US\$ 21,377/t (a US\$ 377/t premium applies for the refined Sn quality), and for FeNb the price is US\$ 21,000/t and for FeTa is US\$ 17,000/t.
- » The Sn price used to estimate Ore Reserves is US\$ 18,377/t para el Sn (a US\$ 377/t Premium applies for the refined Sn quality), and for FeNb the price is US\$ 18,000/t and for FeTa is US\$ 14,500/t.
- » Mineral Resources and Reserves are constrained to optimized pit shell with updated parameters and costs as of December 2020: it involves better returns and favorable exchange rates.

b. SPR of PIRAPORA

SPR of Pirapora: Output indicators

Category	Indicator	Unit	2016	2017	2018	2019	2020
Plant	SN concentrated fed – cassiterite	t	13,122	14,182	14,214	13,808	13,405
	Ore grade % in cassiterite	%	46	47	47	46	46.6
	Concentrate in slag fed	t	5,595	6,568	6,696	3,740	924
	Sn grade % in marginal slag concentrate	%	18	18	20	21	24.7
	Sn recovery	%	83	83	87	90	88.7
	Refined Sn production	t	5,873	6,582	6,498	6,009	5,480

3.2. EXPLORATIONS

In 2020, we completed the exploration stage of our two main projects: Nazareth (tin) in the southern area of the country in Puno, and the Marta project (copper and gold) in the Huancavelica region, in central Peru. Both projects were handed over to Minsur's Project and Operation departments for their next stage of development.

» Nazareth Project

Nazareth Project was developed by Minsur Explorations from 2014 to 2020 with multiple traditional and directional diamond drilling campaigns, and Minsur is the first mining company in Peru using this drilling method for the exploration of very deep deposits. The central part of the deposit was drilled in a 50x50-meter grid by directional drilling, amounting to a total of 149,883.85m of traditional and/or directional diamond drilling.

In the first quarter of 2020, we finished updating our resource inventory under the JORC international standard, converting 51% of inferred resources to indicated and measured resources.

Furthermore, we were able to expand inferred and potential resources beyond the central orebody into the northwest and southeast extensions of the deposit below 4,000m. The deposit remains open at depth, below 3,800m, as confirmed by a 1,500m deep exploration drilling, intercepting tin values below 3,600m. As a result of these exploration campaigns over the last 6 years, 50.4% of resources were located in the Measured and Indicated category and 49.6% in the Inferred category, as summarized in the table "Mineral resources of Nazareth Project":

Mineral Resources of Nazareth project

Type	Cut-Off Sn %	Kt	Sn %	Sn Content MT
Measured	0.48	94.1	0.94	900
Indicated	0.48	7,010.3	1.16	81,600
Measured + indicated		7,104.4	1.16	82,500
Inferred	0.48	6,664.2	1.24	82,600

» **Mina Marta Project**

Exploration at the porphyry copper-gold project in the department of Huancavelica was completed in January 2020 after 9 years of exploration studies, thus completing the Infill campaign of 9,995m of traditional diamond drilling in 40 holes. The objective was to convert most of the existing resources in the inferred category to measured and indicated resources.

In the following months the information was processed, and mineral resources were updated

under the international JORC standard. Additionally, metallurgical studies of the three geo-metallurgical domains defined in this deposit were initiated with the support of SGS.

As a cumulative result, out of 70,771.55m of diamond drilling conducted between 2011 and 2020, 93.5% of inferred resources were converted to measured and indicated resources. The results are summarized in the table "Mina Marta Mineral Resources":

Mineral Resources of Mina Marta

Type	Volume MT	Grades		
		Cu %	Au g/t	Mo %
Measured	86'257,775	0.333	0.119	0.015
Indicated	76'388,630	0.285	0.095	0.015
Measured + Indicated	162'646,405	0.310	0.108	0.015
Inferred	11'312,534	0.296	0.108	0.014

In mid-2020, we carried out the final closure of the EIA-sd's components in the Project, and we completed the remediation of platforms and points of access to their original situation.

Currently, geo-metallurgical studies are still being conducted (delayed due to the health emergency) as well as the independent resource estimate review.

» **Santo Domingo Project**

Explorations in this tin project, in Puno region, continued being suspended and the Ministry of Energy and Mining (MEM) was requested to extend the suspension of the current environmental instrument (EIA-sd) until October 2021. Therefore, field activities focused on providing basic maintenance to the project infrastructure, in addition to conducting the environmental monitoring and focusing on social work in the areas of direct and indirect influence, especially supporting local health institutions with medical materials and equipment to combat the effects of the pandemic.

» **Quimsachata Project**

The Quimsachata project, with 5,900 hectares, is one of Minsur's own projects. It evidences copper and gold mineralization, probably of IOCG type. From 2008-2009, Minsur conducted a limited diamond drilling campaign, confirming the mineralization's extension at depth. In 2017, we reactivated the project and conducted IP/DAS geo-physical studies, which revealed that the mineralization continued beyond the drilled area. In 2020 we started baseline studies for the EIS-type environmental permit, and we completed field works, data processing and the design of the diamond drilling schedule for 2021-2022.

» **Sumac Wayra project**

Sumac Wayra project, with 12,491 hectares, was acquired from Newmont under an assignment of rights and option to purchase agreement in February 2020. This project is located in Lima and it evidences porphyry copper and molybdenum mineralization. Newmont conducted diamond and geophysical drilling from 2013 to 2019, thus confirming its economic potential. In 2020, we processed and migrated existing data, and we prepared the exploration plan, including complementary diamond and geophysical drilling



for 2021-2022. In addition, the company also provided social support to local communities with medical supplies and food for poor families, whose situation worsened due to the country's health emergency.

» **Colorada project**

Colorada project has 11,100 hectares and it was acquired from Newmont under an assignment of rights and option to purchase agreement in February 2020. The Project is located in La Libertad department and it evidences high-sulphidation epithermal gold and silver mineralization. In 2020 we processed and migrated existing data, and we prepared the exploration plan, including complementary diamond and geophysical drilling, for 2021-2022.

» **Amancaes project**

The Amancaes project has 4,000 hectares and was acquired from Newmont under an assignment of rights and option to purchase agreement in February 2020. This project is located in Ancash department and it evidences porphyry copper and molybdenum mineralization. In 2020 we processed and migrated existing data, and we prepared the exploration plan, including geophysical and diamond drilling for 2021-2022.

» **Suyana project**

The Suyana project has 8,100 hectares and was acquired from Newmont under an assignment of rights and option to purchase agreement in February 2020. This project is located in the department of Lima and it evidences porphyry copper and molybdenum mineralization. In 2020 we processed and migrated existing data, and we prepared the exploration plan, including geophysical and diamond drilling for 2021-2022.

» **Pucaccasa project**

The Pucaccasa project has 8,300 hectares and it was acquired from Newmont under an assignment of rights and option to purchase agreement in February 2020. This project is located in Ica department and it evidences porphyry copper and molybdenum mineralization. In 2020 we processed and migrated existing data and prepared the exploration plan, including geophysical and diamond drilling for 2021.

» **Lara project**

Lara project has 5,599 hectares and was acquired from Minas Dixon under an assignment of rights and option to purchase agreement in June 2020. This project is located in Ayacucho, only 86 km north of Mina Justa, and it evidences porphyry copper and molybdenum mineralization. This project has geophysical, diamond and reverse air drilling done in the past. In 2020 we processed and migrated existing data and we prepared the exploration plan, including complementary geophysical and diamond drilling for 2021-2022.

» **Generating projects**

The generating project program was suspended in 2020 due to the health emergency. However, we used this time to widely review historical data, which include over 3,000 reports of mining projects within the national territory and abroad. The purpose of this review was generating opportunities based on the existing database, digitalize data of the most forward-looking projects and prepare a field-visit schedule to be implemented once the state of emergency is over.

3.3. HUMAN RESOURCES

Number of Minsur collaborators

Category	2018		2019		2020	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Employees	339	15	246	119	332	10
Officers	49	0	77	2	87	3
Workers	785	37	890	275	844	109
Subtotal	1,173	52	1,213	396	1,263	122
Total	1,225		1,609		1,385	

a. Care for people

Since the beginning of the pandemic, taking care of and accompanying our collaborators has been our priority, as well as creating a culture that helps us preventing COVID-19 for the continuity and sustainability of our operations. Thus, we prioritized three areas:

1. **Physical health:**
focused on early detection of positive cases, as well as personalized follow-up of their evolution until recovery. And, in the event of complications, immediate referral to specialized healthcare centers.
2. **Mental Health – Accompaniment and support:**
Mental health is as important as physical health. For that reason, since the beginning of the pandemic we implemented the following programs:
 - » **Extraordinary program for emotional support and containment (PEACE):**
Through this program our collaborators and their families may have access to psychological, financial and legal assistance to help them better coping with this difficult situation. In 2020, 217 collaborators and their families have benefited from this program.
 - » **Webinars:**
For our collaborators and their families, focused on physical and mental health in a COVID-19 environment.
 - » **Coaching sessions:**
Specialized support for the main leaders of our Mining Units to provide them with the necessary tools to address the challenges they have to face as persons (at home) and also as leaders.
 - » **Emotional Support Program:**
The new normality created by Covid-19 and the changes it brought to our way of working impacted our entire workforce, and specially our supervisors. In September 2020, together with Aporta, we implemented the Emotional Support Program that aimed at identifying and helping supervisors who required some sort of emotional assistance or support.

The program reached 120 supervisors and professionals of San Rafael MU, out of whom 7.5% received support and advice due to symptoms associated to depression or anxiety. Thanks to this result, in the first quarter of 2021, the

program's reach will be expanded to include workers, technicians and staff; as well as our collaborators' families.

We hope that we are able to provide support through this program, and make decisions aiming at improving the mental health of our people.

3. Communication:

We defined a communication strategy focused on two premises: i) keeping our collaborators permanently informed on the pandemic and relevant facts, progress, projects, results, among others; and ii) support the cultural change (new conducts) for COVID-19 prevention. The main initiatives include:

- » + 20 online discussions led by our CEO for Lima and our Units.
- » +150 Communications issued with mental and physical health tips, advice on family wellbeing, contextual information as well as organizational advice.
- » Creation and implementation of the communication campaign "Our 4 key conducts to win the battle against COVID-19", with the slogan "**I take care of myself. You take care of me. We all take care of each other**".

In June, we conducted a survey to know the perception of our collaborators regarding the company's initiatives to prevent COVID-19, and the results showed 86% of satisfaction.



b. Development

We encourage our collaborators' professional development providing them with opportunities to participate in several training programs. Thus, in all our operations, we have people in charge of managing training and development processes, as well as performance assessment processes, according to our corporate guidelines. In 2020, we delivered over 34 thousand hours of training.

- » Setting objectives,
- » Half-year feedback,
- » Final assessment (360° assessment, self-assessment, evaluation by direct supervisor and calibration), and
- » Development (final feedback and development plans).

Hours of training 2020

Gender	N° of employees	N° of training hours	Average hours
Male	1,373	33,124	24.13
Female	94	1,729	18.39
Total	1,467	34,853	23.76

c. Performance assessment: Maintaining the alignment with our culture

Our Performance Assessment Program (PAP) applies to 100% of professionals and ensures an objective assessment of our collaborators, based on evidence. By measuring the achievement of individual objectives ("what") and the implementation of leadership practices ("how"), it contributes to implementing the business strategy, setting the foundations for any decision on talent development and retention, ensuring our merit-based culture. The program has 4 stages:

All stages receive the support -at all times- of the ongoing feedback tool, which makes our system reliable. Thus, we use the results to make all decisions related to talent, compensation and development. Furthermore, we annually conduct a Talent Mapping, to make sure we have the appropriate talent and to identify successors for critical positions, establishing development plans to provide growth opportunities, ensuring business sustainability. This process relies on sustained development (PAP) and talent potential assessment. In 2020, 100% of supervisor and manager positions were assessed in the Talent Mapping process.

d. Digitalization for talent management

In 2020, the CTG (Comprehensive Talent Management) tool was launched, which digitalizes critical Human Resources processes, and provides our leaders with information and real-time data to properly manage talent.

3.4. SOCIAL MANAGEMENT

In 2020, with the declaration of national emergency due to the Covid 19, our social management focused on enabling the restart and subsequent continuity of our operations. To this end, we worked on generating trust on the company's strict protocols among our stakeholders in our areas of operation. This meant also strengthening the health system in those areas, together and in coordination with the competent authorities in their corresponding levels of intervention.

Thus, Minsur had an active and leading role in its areas of operation, with significant investments in infrastructure, human resources, equipment and tools to deal with the effects of the pandemic. Likewise, it participated in the development and promotion of health protocols, providing its project management knowledge and diverse humanitarian support to its stakeholders.

This was not an impediment to implement social management tools that were being developed since the end of 2019. These have been essential tools to enable social management in times of pandemic. We refer specifically to the complaint and grievance mechanisms, local employment policy, human rights policy, protocols and a Code of conduct for suppliers, as well as internal management tools, such as our commitment and investment books, and our activity and result tracker. This has resulted in a better systematization of social management and of the evidence supporting the established KPI, according to the best practices of our industry.

2021 will be a complex and challenging year, since it will be a period of economic reactivation with all what this means in social terms. In addition, we shall consider the second wave of transmission that will test what we have learned and implemented in 2020. Thus, the different

areas of the company and its operations shall have a special strategic approach on issues such as the generation of job opportunities and local employment in our operations and projects.

Furthermore, we will start working again with our different social investment projects in those aspects prioritized in our investment policies: productive development, closing gaps in infrastructure, education and early childhood care. Last but not least, in terms of engagement, a proper attention and the study of the source of the most frequent complaints and grievances shall be consolidated, as well as the implementation of proactive measures to prevent recurrence.

Our Directors' and Managers' role in our monthly Social Management Committee shall become more relevant than it currently is. This informative forum for coordination and agreement will allow speeding up sustainable development results expected by Minsur.

Engagement with the communities

Minsur's engagement with its communities has been becoming more planned and systematic, without disregarding the principles guiding it. In 2020, compliance, participation and communication tools, Permanent Information Offices (PIOs), complaints and grievances mechanisms and local employment tools were consolidated. All these respond to a management system that is in line with international standards and our corporate principles. Moreover, our Code of Ethics and Conduct is constantly reviewed. It provides the guidelines for ethical and responsible interaction with our stakeholders. These efforts will continue, and they will be enhanced and disseminated.

Our social investment

2020 was marked by the health, social and economic crisis generated by the Covid-19 pandemic. This forced Minsur, in coordination with local, regional and national authorities, to redirect efforts to address the most immediate needs. Thus, Minsur became one of the main private supports within its scope of action, not only through social investments in health and education, but also with its know-how in logistics and project management.

San Rafael MU

San Rafael had a very challenging context, since it was one of the first mining units nationwide that suspended its production operations in order to prevent transmission and implement the necessary health protocols. To restart operations, we had a dialogue with the people and their authorities, aiming at establishing preventive measures and at strengthening the local health system, considering that a significant percentage of workers of the mining unit stays in Antatuta. In parallel, health authorities of Melgar province and Puno region also called for Minsur to join efforts to fight the spread of the disease.

The donation of an oxygen plant to Antauta stands out among the initiatives implemented to address Covid-19. Furthermore, another one was donated to Melgar province, which was installed in the San Juan de Dios de Ayaviri Hospital, in addition to the contribution of S/. 250 thousand to Caritas-Puno to co-fund the purchase of an additional oxygen plant.

We shall also mention the donation of a cremation furnace to the Charitable association San Román Juliaca, the support to the Juliaca health network (EsSalud) with 50 oxygen tanks, and 50 hospital beds, and to the San Roman health network, particularly to the Carlos Monge Medrano hospital, with 55 hospital beds and 100 oxygen tanks. Likewise, we shall mention the efforts to acquire a type-II ambulance that will be delivered to the Ajoyani healthcare center in the first quarter of 2021, the repairs and upgrades made to the Antauta healthcare center, refurbishment of the CETPRO of Antauta so that it can be used as the district's isolation center, and the strengthening of Antauta and Ajoyani healthcare centers by providing more staff and biosecurity equipment.



Lat but not least, it is worth highlighting the economic reactivation project in Ajoyani that demanded a S/. 200 thousand investment and assistance to Antauta and Ajoyani municipalities to enhance their citizen security system by financing the municipal guard staff and fumigation payments.

Among our social and development investments, the project Fibra Emprededora stands out: craftswomen who expanded their markets based on the quality of their products. The project "Mallas Antauta" also stands out. It has improved native pasture management and conservation in family production units by installing management and herding fences. Moreover, animal health campaigns were conducted in the area of direct influence.

Last but not least, in relation to local employment, we had an average of 750 local workers, with a peak of 898 local workers in September. And, regarding local purchases and services, US\$ 8.5 million were generated, considering those who worked directly for Minsur and contractors. Thus, we are helping to reactivate the economy in the area.

Pucamarca MU

Pucamarca mining unit played a fundamental role providing private health and humanitarian support in Tacna region, one of the most hardly stroke by the pandemic. Since the beginning it established permanent coordination with local and regional health authorities to join efforts to address the spread of Covid-19.

We worked closely with Tacna regional government. We delivered more than 20,000 Covid-19 tests with their corresponding kits,

which value exceeded S/. 1.5 million; a thermal cyclor for PCR test valued in S/. 373 thousand, that allow processing molecular tests in a short period of time; 2 oxygen plants for a total value of S/. 1.95 million; 300 oxygen tanks with their corresponding gauges for S/. 947 thousand and groceries for the most vulnerable people (S/. 30 thousand); among other support actions. Furthermore, 100 oxygen tanks were delivered to the Hipólito Unanue for S/. 296 that allowed dealing with the hospital crisis.

In Palca, area of direct influence, we delivered humanitarian support and donated hygiene and biosecurity materials that amounted to S/. 83 thousand. These were delivered through the municipality, the community and Palca CLAS.

Though the largest effort of our social management has been focused on the health emergency, we have tried not to neglect other commitments and needs raised by the people and their authorities. Thus, in 2020 we conducted investment studies for tap water and sewage projects in Vilavilano and Rio Caño sectors, with a S/. 206 thousand investment requested by the district municipality of Tacna.

SPR of Pisco

The Pisco smelting plant's relationship with the social environment was marked by the company's response to the health emergency. The first level of response was the humanitarian response to the sudden suspension of activities that affected the socioeconomic dynamics and, thus, it meant a drastic reduction in family income. District municipalities took the initiative, requesting and channeling food aid to the most vulnerable groups.

MINSUR was one of the first companies to join these initiatives, overcoming a series of logistical impacts to be able to deliver more than 13 tons of

food to Pisco, Paracas and San Andres districts. Likewise, MINSUR's support with health and health security materials (for a total value of S/. 41 thousand) was among the first to reach municipalities, healthcare centers, Regional Governments and charitable organizations. The assistance provided to the Paracas municipality was also relevant to strengthen the capacity of its Municipal Health Brigade to carry out preventive and control actions among the population.

Despite health context's limitations, the company kept providing support in other areas it has been involved, such as prevention of violence against women and the existing shelter mechanisms in Pisco, using advertising in public spaces.

Other issues were: safety for the school built in Santa Cruz, Paracas -under the Works for Taxes mechanism- and maintenance of plots, where students and teachers develop good environmental practices. For both cases, S/. 12 thousand were invested. On the other hand, the company also responded to the need to provide health care services beyond the pandemic. With a S/. 17 thousand investment, we contributed to a comprehensive health campaign in Paracas, which provided more than two thousand treatments in 9 medical specialties with the participation of 19 health professionals.

Finally, Minsur kept a permanent communication and coordination with local authorities, providing information, exchanging opinions and carrying out joint actions to help overcoming the health emergency challenges.



Exploration and Mine Closure projects

Santo Domingo project

Within the context of the health emergency, the Santo Domingo project stood out for its support to the Health micro-network of Nuñoa district. Despite travel difficulties in the area, Minsur organized up to three deliveries of health materials, supplies and equipment. Deliveries were: 1. Tires for the healthcare center's ambulance, two isolation chambers of stretcher-trolley type to move Covid-19 patients, four medical oxygen tanks and 50 overalls. 2. 460 rapid tests and one thousand retractable lancets (for a S/. 15 thousand value) and 3. Eight medical oxygen tanks with their respective regulators (for a S/. 46 thousand value). These efforts deserved the recognition of health authorities and the population.

In parallel, Minsur implemented prevention campaigns in the local and regional media and kept stakeholders' engagement providing information of interest during the pandemic and the social context.

Mina Marta Project

The Mina Marta project had a humanitarian response to the pandemic impacts on the peasant communities of its environment. Food packages were delivered to 290 families for a total value of S/. 18 thousand. Likewise, 214 school packages were donated to pre-school, elementary school and high-school students of the community for a total value of S/.13 thousand.

Despite the limitations to carry out field work, the company fulfilled the commitments made in its environmental management instruments. We invested in our capacity-building project in natural resource management (water, pasture

and wetlands management) and the production-capacity strengthening project (alpaca reproduction and birth). In each case, S/. 50 thousand were invested. In addition, we made a special contribution of S/. 60 thousand for alpaca production, within the framework of the health emergency, to the Orccconccocho sector.

We continued fulfilling our commitments, such as the construction of the community premises, which -to date- has received a total transfer of S/. 800 thousand, and the training provided to women's groups in loom weaving for a value of S/. 23 thousand. Last but not least, we transferred S/.110 thousand for sustainable projects, according to the agreed social contribution.

Mina Regina project

The Mina Regina project responded early to local communities' demands for humanitarian support: the delivery of 180 baskets of food for the same number of families. In the Peña Azul community, the emergency impact on the family economy led to an assessment on the destination of the company's annual contribution, established by agreement. As part of our usual productive investment, we decided to distribute a S/. 146 fund as a bonus for each of the 72 families to cover their basic needs.

On the other hand, when the conditions allowed it, we continued with our social investments, such as the expansion of the perimeter fence and the construction of fair stands for the Peña Azul community, for S/. 85 thousand, the final stage of a rural housing project in Condoraque community for S/. 104 thousand, and the finishes of the second floor of the Condoraque community premises, in Quilcapuncu district.

3.5. ENVIRONMENTAL MANAGEMENT

Caring for the environment is our motto when developing our businesses. Thus, aiming at ensuring due diligence in all our projects and operations, our framework of corporate policies and standards gathers cross-cutting sustainability principles.

According to the ICMM principles -which aim, among others, at constantly improving its members' environmental performance-, in 2020 Minsur approved four new policies that enhance our Environmental Management System (EMS): a Corporate Environmental and Closure Policy, a Climate Change Policy, a Policy of Excellence in Water Management and a Corporate Sustainability Policy. All of them express our vision, strategy and commitment to manage our activities, prioritizing these critical issues for the environment and our operations. Based on these principles and requirements, we also updated our documents to include the new conditions within the COVID-19 pandemic context.

Thus, our EMS is comprised both by the Environmental and Closure Policy, Sustainability Policy, Climate Change Policy and Policy of Excellence in Water Management, but it also has 28 corporate and operating environmental standards, which are aligned to the ICMM requirements; ISO 14001 certification; several management and supervision instruments; the internal supervision and oversight tool called Environmental Performance Index (EPI); and a series of reactive, proactive and sustainability-related KPIs.

Regarding the ISO 14001 certification, an international certification that provides companies with a specific framework to effectively and efficiently manage the environment. We shall mention that all our operations in Peru have this certification. In Brazil, Pirapora has ISO 14001 and Pitinga is in the process to receive it.

Furthermore, our EMS is constantly monitored by our specialists -who are either our company's or



our contractors' employees-, both in operation and support processes, which allow ensuring that the legal requirements are met at all mining stages.

The main objective of the EMS is applying strategic guidelines for Minsur's environmental sustainability at all mining project stages. Our SMS focuses on the following environmental components: water, climate change, biodiversity,

permits, planning, environmental management, social management, rehabilitation and closure, among others, not only abiding by local standards and regulations, but also by the best practices of the industry at a global level.

Furthermore, we have the following tools, among others, for a proper and responsible environmental management:

<p>Internal audits, Cross-audits and Legal Compliance audits</p>	<p>Conducted to determine the degree of compliance of our operations with the EMS and applicable legal requirements, as well as to validate its effectiveness. If below-standard performance is detected, the unit's or project's Environmental Supervisor shall implement the corrective actions required in the final audit report, and then he/she shall report the results of implementing these actions. This applies to cross-audits carried out by Internal Audit, Legal Compliance, as well as for cross-audits conducted by members of Environmental teams when visiting mining units, other than their place of work. Last but not least, it is worth mentioning that, eventually, external audits are also hired, and in 2020 an external audit was conducted assessing compliance with environmental standards in all the Mining Division's units.</p>
<p>Environmental performance indicators (EPI and KPIs)</p>	<p>On a monthly basis, Environmental Supervisors conduct detailed environmental management inspections in all departments of our units, using the EPI (Environmental Performance Index) tool. Furthermore, they record and assess environmental indicators (KPIs=). Through the EPI and the KPIs, environmental impacts and potential risks are measured and monitored. These indicators are reported to the Environmental Manager, COO and CEO in monthly and quarterly meetings to identify and define improvement opportunities to be implemented.</p>
<p>Environmental monitorings</p>	<p>Environmental monitoring and surveillance points have been established in the areas of direct environmental influence of our units and projects, as approved in our Environmental Management instruments (EMI) for permanent assessment of environmental noise, air quality, soil quality, sediments, biodiversity and water quality. Furthermore, participatory environmental monitoring is conducted in our units engaging communities of the area of direct influence, as well as internal control monitoring.</p>
<p>Environmental Supervisions</p>	<p>Our environmental performance is periodically supervised by the Agency for Environmental Assessment and Enforcement (OEFA) in Peru; Instituto de Proteção Ambiental do Amazonas (IPAAM) in Amazonas region, and Companhia Ambiental do Estado de São Paulo (CETESBI) in Sao Paulo region, Brazil. The objective is verifying compliance with laws, environmental commitments and obligations established in the EMIs, permit and authorization processes, mandates or provisions issued by the competent agencies, as well as with other sources of auditable environmental obligations.</p>

a. Water Management

Aware of the significance of responsibly using water resources, we aim at implementing a comprehensive strategy allowing us to efficiently manage water, from infrastructure design and construction, water withdrawal, piping, storing, using, treating, to the reutilization and recycling of consumed water. The strategy consists in measuring, controlling and continuously improving our water management.

The Environmental team monitors the amount and quality of water flowing in, its use in our processes, and effluents, pursuant to legal requirements and

environmental standards adopted to achieve an optimal management.

Due to the pandemic and the government provisions, our operations stopped temporarily, thus our total consumption, considering total withdrawal and effluents, differed from previous years, with a lower annual consumption.

Water withdrawal by source 2020 (thousands of m3/year)

Source	San Rafael MU	Pucamarca MU	SPR of Pisco	Mina Justa	Pitinga MU	SPR of Pirapora
Surface water	1,034.12	162.65			2,373.70	
Groundwater	6,544.01	231.75	173,498	251,412		69.84
Rainfall water directly collected and stored by the organization						
Seawater				254,194		
Total	7,578.13	394.40	173,498	505,606	2,373.70	69.84

Volume of effluents by type 2020 (thousands of m3/year)

Type of effluent	San Rafael MU	Pucamarca MU	SPR of Pisco	Pitinga MU	SPR of Pirapora
Industrial effluents	5,742.98			9,607.27	0
Domestic effluents	56.13		7.31*	197.20	8.678
Total	5,799.11		7.31	9,804.47	8.678

* Reused for irrigation of green areas

b. Waste management

Each unit has a solid and hazardous waste collection and disposal program led by a specialized contractor. Materials are separated, some are reused or recycled, and others are shipped for their final disposal, except for timber, which is reused for several purposes. Waste management is conducted by a certified solid waste operating company (EO-RS), which is authorized by the competent authorities. Thus, EO-RS collects, transports and disposes solid waste in authorized landfills and/or treatment plants.

We continuously work on raising awareness and maintaining a bidirectional communication on proper separation and disposal of solid waste generated from

our operating, maintenance, logistical, and other processes. Furthermore, we have a circular economy approach for solid waste management aiming at generating value from waste.

Due to the new measures adopted to address the COVID-19 pandemic, some waste (mainly, waste from dining facilities) had to be regarded as potentially bio-contaminated waste (hazardous waste) aiming at appropriately manage this type of waste. This explains the difference in relation to 2019.

Amount of hazardous and non-hazardous waste by type of disposal 2020 (t/year)

Type of elimination	San Rafael MU	Pucamarca MU	SPR of Pisco	Mina Justa	Pitinga MU	SPR of Pirapora
Hazardous waste						
Recycling	103.07	74.23		365.50	56.00	7.33
Secure landfill outside the unit	572.97(*)	49.1	25.04	1,705.68		
Incineration					98.99	7.96
Subtotal	676.04	123.33	25.04	2,071.18	154.99	15.29
Non-hazardous waste						
Reuse	47.42	237.83	0.4			
Recycling	979.09		7.55	368.23	5.18	6.55
Composting	14.55					
Incineration (mass burning)					87.36	
Landfill outside the unit	103.79	101.60	124.09	2,786.56	4.23	49.70
Landfill inside the unit	245.90			1,423.26	137.32	
Subtotal	1,390.74	339.43	132.04	4,578.05	234.09	56.25
Total	2,060.78	462.76	157.08	6,649.23	389.08	71.54

(*) Hazardous waste: Bio-contaminated waste, waste oil, waste impregnated with hydrocarbons or reagents, geomembranes, waste contaminated with minerals, explosive cardboards, pipes, among others.

c. Emission management

We think it is very important to adopt urgent measures to address climate change and its negative impacts. To do this, we have implemented mechanisms that allow reducing emission generated when developing our activities. Thanks to our dust and gas control measures, as proven by our monitoring results, we complied with the maximum permissible limits (MPL) established by law, as well as with air environmental quality standards (EQS). This way, we do not alter air quality, we protect the environment and care for the health of our staff and neighboring communities. We have an environmental management plan with high standards approved in our environmental management instruments, which have a sustainability approach for environmental protection.

Based on our commitment, we measure our carbon footprint since 2017 and, in 2020 we started an audit process to certify our carbon footprint measurements corresponding to 2017, 2018, 2019 and on. It is worth mentioning that our carbon footprint has been measured under the standards of ISO 14064-1 and GHG Protocol.

d. Energy management

We promote efficient energy consumption management, since we aim at reducing greenhouse gas (GHG) emissions as well as power expenses in all our units and operations. Annually, we measure and record the levels of consumption of this resource. With the results obtained, we research initiatives to reduce our impacts caused by emissions generated to the environment, and we have started researching to implement renewable power sources.



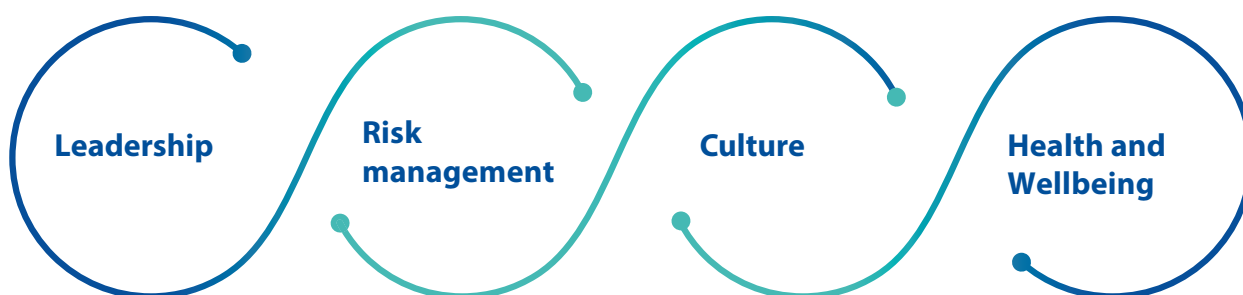
Total energy consumption 2020 (GJ)

Consumption	San Rafael MU	Pucamarca MU	SPR of Pisco	Pitinga MU	SPR of Pirapora
Total fuel consumption	155,284.73	265,732.00	58,309.92	128,492.00	6'141,660.23
Total electric power consumption	628,372.46	78,772.00	83,088.00	549,428.40	108,191.87
Total energy consumption	783,657.19	344,504.00	141,397.92	677,920.40	6'249,852.10

3.6. OCCUPATIONAL HEALTH AND SAFETY

In 2020 we had the enormous challenge of operating in a safe and healthy manner within the context of the COVID-19 pandemic. For that purpose, we implemented COVID-19 surveillance, prevention and control plans in all our operations, incorporating the best health practices in our industry and the corresponding legal provisions, which were integrated to our Health and Safety Management System called MINSEGUR-Zero is possible! (MINSEGUR) and have allowed mitigating the pandemic's effects in our operations achieving another year with zero occupational fatal accidents.

MINSEGUR is based on the ICMM principles and guidelines, on the best health and safety practices of world-class mining companies, on ISO 45001, OSHA - MSHA standards, and on applicable occupational health, safety and hygiene legal provisions or regulations. It is applied in all our mining units and projects and it is comprised by four fundamental pillars:



MINSEGUR includes:

- » 7 policies related to occupational health and safety.
- » 15 health and safety management standards.
- » 21 operating safety standards.
- » 16 operating standards on occupational health and hygiene.
- » 20 instructions on the Occupational Health and Safety System's key elements.

Aiming at achieving zero accidents, we continued developing in all our operations the VISION ZERO campaign, in order to promote safe and healthy work environments.

Main safety-related actions

- » Our Smelting Plant and Refinery of Pisco received ISO 45001:2018 certification Occupational Health and Safety System from the international certification company Bureau Veritas.
- » We were ranked third among ICMM's 25 member companies for our Health and Safety performance after comparing our Recordable Injury Frequency rate (IFLR) recorded in the publication "Safety Data: Benchmarking Progress of ICMM Members in 2019".
- » We disseminated the ICMM's 8 lessons learned to prevent fatalities to all our line supervisors of our operations, both in Peru and Brazil.
- » We disseminated the Occupational Health and Safety System: MINSEGUR, zero is possible!, to all line supervisors of our operations in Peru and Brazil.
- » We issued the following policies: "Policy on the right to say NO" and "Occupational Health and Safety policy".
- » We developed campaigns to prevent accidents ZERO VISION, with the participation of all workers, including contractors, in our operations in Peru and Brazil.



Main health-related actions:

- » Our mining units develop "Plans for the Surveillance, Prevention and Control of COVID-19" in line with the law and the best health and hygiene practices recommended by the ICMM, OSHA (guidance on preparing workplaces for COVID-19) and ILO (checklist – prevention and mitigation of COVID-19 in the workplace).
<https://www.youtube.com/watch?v=s3-KjtAKfJY>
- » Our Pucamarca, Pisco and San Rafael units and our Mina Justa project received the COVID-19 Biosafety certification and safeguard label from the international certification company Bureau Veritas.
- » We defined and disseminated the **four key behaviors to win the battle against COVID-19**, which were strengthened through the health and safety moments issued in 2020.
- » We developed and implemented the web application and mobile app "Health and Safety – Mining Division", which allows all workers to assess their health status (triage) online, as well as their COVID-19 self- evaluation and to record people with whom they interacted in the list of contacts.
[Mobile app](#)
[Web application](#)
- » We developed prevention and health promotion campaigns, which included vaccination campaigns against influenza and pneumococcal disease in our operations in Peru.
- » We verified the level of implementation of the 16 occupational health and hygiene operational standards in our operations.

a. Occupational Health and Safety Performance

In 2020, no fatalities were reported in our operations. Since February 2009 to date no occupational fatal accidents have been reported in Minsur’s MUs.

We had 9 lost-time accidents, out of which 3 (33%) involved Minsur’s employees and 6 (67%) involved outsourced workers. None of these accidents

resulted in permanent disability. In addition, we had 17 recordable injuries, out of which 6 (35%) involved Minsur’s employees and 11 (65%) involved outsourced workers.

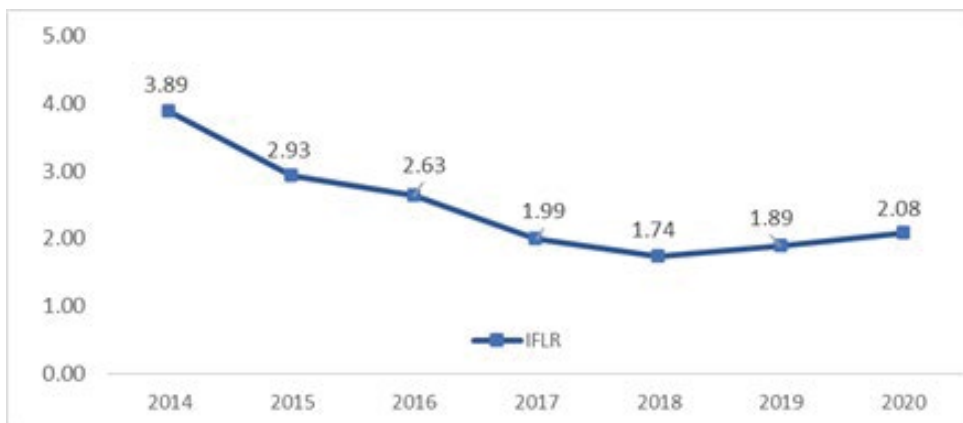
The Recordable Injury Frequency Rate (RIFR) was 2.08, which meant an 11% increase as compared to the last three years’ average (2017, 2018 and 2019).

Accident indicators from 2015 to 2020*

Indicator	2015	2016	2017	2018	2019	2020
Fatal accidents	0	0	0	0	0	0
Accidents resulting in loss of workdays	1	5	3	5	2	9
Recordable injuries	21	20	17	16	21	17
Man/hours worked	7'164,553	7'596,657	8'538,603	9'204,191	11'135,335	8'175,638

*MINSUR (San Rafael MU, Pucamarca MU, SPR of Pisco)

Recordable Injury Frequency Rate (RIFR)



3.7. COMMERCIALIZATION

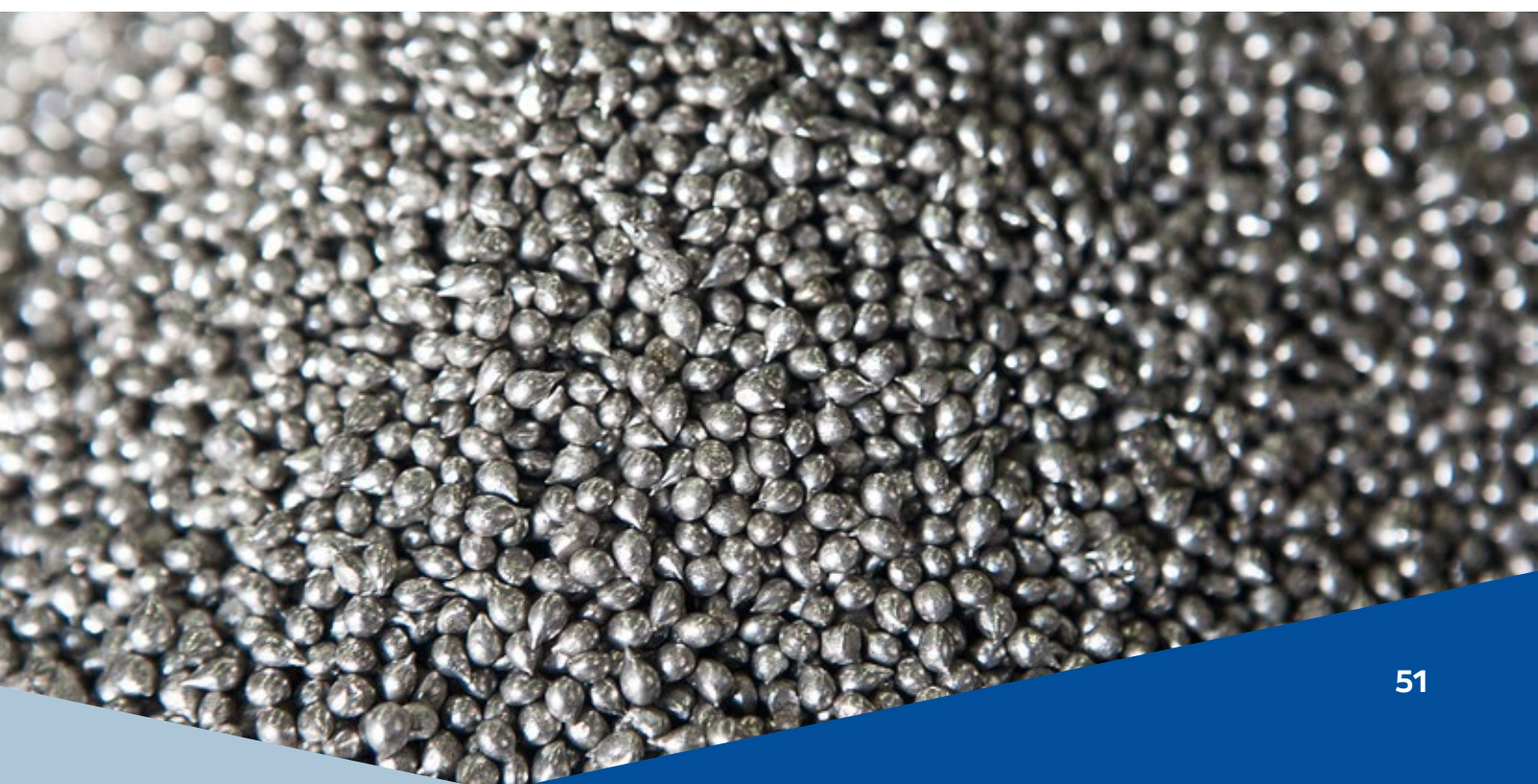
2020 was clearly a year marked by COVID-19. Pursuant to the law (Supreme Decree 044-PCM-2020) and in line with our company's values of putting our workers' health and safety first, in March we suspended our operations in San Rafael MU and the SPR of Pisco. This measure prevented us from fulfilling our contract obligations due to force majeure, as established in our commercial agreements.

Close coordination and constant communication, both on the government's decisions and on internal measures, were essential to minimize the impact on our customers. After resuming operations, during the second quarter of May, we restarted our shipments.

Still with uncertainty, in the following months, the wish to recover and resume activities resulted in a larger demand for tin in the last quarter of 2020. This allowed us to deliver our entire production and we were able to even close 2020 with lesser stocks than planned.

As for gold, its commercialization had to deal with many logistical challenges due to the suspension of commercial flights, both domestic and international ones. However, a refinery with which we have a commercial relationship chartered entire flights to consolidate cargo. This measure allowed us to continue selling dore.

Regarding ferroalloys, the niobium (Nb) and tantalum (Ta) market contracted due to the pandemic, especially in the aerospace industry chain. However, the development of new markets and enhancements in the quality of our products drove sales to levels that exceeded 3 thousand tons for that year. For 2021, we remain focused on responding to the recovery of consumption in our main markets: China and Europe.





04. RESULT

4.1. FINANCIAL RESULTS

2020 was a year of transformation and full of challenges for the Mining Division. On the operating and financial side, our results were impacted by mandatory shutdowns in all our operating units, which required that we made strategic decisions to protect the company's financial soundness.

In the tin line, 2020 was the first full year of production of our B2 plant and we achieved values above the design parameters, which allowed us to maintain 2019's production level

despite the shutdowns. In the gold line, production was lower due to lower ore grades because of resource depletion, but it was in line with our estimated values. Notwithstanding the above, Pucamarca remains one of the world's gold mines with lower costs.

Profits and Losses 2020

Item	Unit	2018	2019	2020	Var (%)
Net sales	USD MM	491.4	529.8	501.8	-5%
Cost of sales	USD MM	(243.5)	(287.3)	(297.3)	3%
Gross profit	USD MM	248.0	242.5	204.5	-16%
Selling expenses	USD MM	-4.6	-5.8	-5.2	-9%
Administrative expenses	USD MM	-34.9	-41.3	-33.2	-20%
Exploration and project expenses	USD MM	-27.4	-24.3	-5.7	-77%
Other operational expenses, net	USD MM	-6.0	-3.1	0.5	-
Operating profit	USD MM	175.0	167.9	160.8	-4%
Financial income and expenses and others, net	USD MM	37.1	-6.2	-28.9	370%
Results of subsidiaries and associated companies	USD MM	-44.1	-39.9	-60.8	-52%
Exchange difference, net	USD MM	-3.6	1.4	-1.4	-
Income before tax	USD MM	164.4	123.3	69.6	-44%
Income tax	USD MM	-20.2	-58.8	-62.8	7%
Net profit (loss)	USD MM	144.1	64.5	6.8	-89%
Net margin	%	29%	12%	1%	-
EBITDA	USD MM	242.5	236.7	237.6	-29%
EBITDA margin	%	49%	45%	47%	-
Net profit adjusted	USD MM	71.3	97.7	69.1	-29%

Our sales

Net sales were US\$ 501.8 million in 2020, that is 5% below 2019's sales, mainly due to the impact of lower gold production (-23%) and the lower average tin price (-8%), which was partially offset by the gold price (+27%) that reached record highs in 2020. At the cost level, the implementation of Covid-19 health and safety protocols generated additional costs in our operating units, which were mainly related to hotel and transportation items.

Metal prices in the international market, were marked by volatility caused by the trade war between China and the United States, geopolitical tensions and the beginning of the pandemic. In this context, high uncertainty was generated and gold -being a safe haven metal- increased its Price, which partially offset tin's negative effect.

Furthermore, we implemented savings plans and optimizations that allowed us mitigating Covid-19 effects.

Our sales to North America and Europe represented the two main destinations of tin we produced this year (45% and 39%, correspondingly). It is worth mentioning that sales to Europe and the United States remained in line with those of 2019. On the other hand, the volume of gold sold fall -23%, as compared to 2019, thus reaching 80,869 ounces. 100% of gold sales were destined to the United States.

At the end of 2019, we launched the Lean Management initiative with our "Lingo" program, which is comprised by the interaction of the operating systems, management systems, and our organization's mindsets and behaviors. In

2020, consolidation of this initiative allowed us to increase the processing capacity of Pisco's furnace to a processing level of 5,870 tons of tin concentrate per month (the best result in the last 13 years).

Sales per product line (US\$ million) 2020

Sale detail	Unit	2018	2019	2020	Variation 2019- 2020
Tin	t	17,483	20,092	20,410	+2%
Gold	oz	101,177	105,643	80,869	-23%

EBITDA

EBITDA in 2020 was US\$ 237.6 million, in line with what we achieved in 2019. This result is due to higher realized gold prices, as well as savings in administrative expenses and delay of explorations, which was partially offset by increased costs related to health and safety protocols in our operating units.

Thus, net income for the 2020 FY was US\$ 6.8 million, as compared to US\$ 64.5 million in 2019.

This variation corresponds mainly to the impact of our subsidiaries' and associated companies' results, mainly Taboca which was impacted by devaluation of the Brazilian real. Excluding these adjustments and exceptional effects, the adjusted net income -excluding extraordinary effects, subsidiaries' and associated companies' results and Exchange difference- was US\$ 69.1 MM, 29% below the previous year.

4.2. LIQUIDITY

The cash balance and cash equivalents closed the year in US\$ 284.0 million, 24% lower than at the end of 2019 (US\$ 373.5 million). This cash balance considered deposits in cleared funds, which were not considered cash in the balance sheet.

cash flow of US\$ 161.2 million, that allowed us to fund investments for US\$ 68.7 million and capital stock contributions for US\$ 182.1 million for our Marcobre project.

This variation responds mainly to an operating

Cash flow 2020

Cash flow	Unit	2017	2018	2019	2020
Initial balance	US\$ MM	506.8	495.0	610.0	373.5
Operation activities	US\$ MM	140.7	121.8	170.8	161.2
Investment activities	US\$ MM	-91.6	-147.2	-144.6	-68.7
Financing activities	US\$ MM	-60.9	-154.0	-262.7	-182.1
Final balance	US\$ MM	495.0	610.0	373.5	284.0
Cash and cash equivalents	US\$ MM	202.9	200.1	79.4	193.4
Over 90-day term deposits	US\$ MM	160.4	309.7	212.7	90.6
Financial assets at fair value through profit or loss	US\$ MM	131.7	-	-	-
Unlisted certificates	US\$ MM	-	40.6	-	-
Commercial papers	US\$ MM	-	59.6	81.5	-

4.3. CAPITAL AND FUNDING

At the end of 2020, bank financial obligations amounted to US\$ 444.9 million. As a result, net leverage ratio reached 0.7x at the end of FY 2020 versus 0.3x at the end of the former FY.

Net Debt 2020

	Unit	2017	2018	2019	2020
Financial obligations	US\$ MM	440.8	442.1	443.4	444.9
Cash	US\$ MM	495.1	608.7	373.5	443.4
Net debt	US\$ MM	-54.2	-166.6	69.9	160.9
Debt / EBITDA	x	1.8x	1.8x	1.9x	1.9x
Net debt / EBITDA	x	-0.2x	-0.7x	0.3x	0.7x

4.4. OFFICERS RESPONSIBLE FOR PREPARING THE FINANCIAL STATEMENTS

IN FY 2020, Mr. Patrick Alvarez Medina, certified public accountant with registration number N°53955, was responsible for preparing our Financial Statements.

The external auditor has been Paredes, Zaldívar, Burga & Asociados S.C.R.L., a member firm of Ernst & Young, which issued a clean audit report on our company.





05. GENERAL INFORMATION

5.1. CORPORATE NAME

The name of the company is MINSUR S.A. Our administrative offices are located in Lima, Jirón Giovanni Batista Lorenzo Bernini 149, Office 501 – A, San Borja. Its phone number is (511) 215-8330.

5.2. CORPORATE PURPOSE AND TERM

Our activity is classified under code 1320 in Review 3.1, and code 0729 in Review 4 of the International Standard Industrial Classification (ISIC). It specifically exploits tin and gold ore.

According to its Bylaws, the corporate purpose of MINSUR S.A. allows to carry out all activities involving the mining industry and, particularly the exploration and exploitation of mineral deposits, processing their products, processing plants, mineral refining, as well as all related operations for these purposes. In addition, it may conduct any actions and enter into any agreements related to commercial and mining activities, as well as purchasing and selling property, real estate and securities, and all those permitted by the law. Under its Bylaws, the company is organized for an unlimited duration.

5.3. INCORPORATION AND REGISTRATION IN THE PUBLIC REGISTRY

Our company was incorporated and began operations in October 6, 1977 by transforming the Peru branch of MINSUR Partnership Limited of Bahamas, called MINSUR limited company, which had been operating in Peru since 1966, as per Deed certified by the Public Notary of Lima, Dr. Ricardo Fernandini Arana, registered in the folio 8, page 183 of Volume 17 of the Book of Corporations and other Legal Entities, of the Public Mining Registry of Lima.

5.4. ECONOMIC GROUP

Our company is part of the economic group declared to the Securities authority (SMV) and the Lima Stock Exchange, by Futura Consorcio Inmobiliario S.A. The abovementioned business group has investments in various economic sectors, such as: agriculture, construction, industry, real estate, mining, fishing, petrochemicals, health, financial services and insurance, tourism, as well as other activities and specialized services.

The main companies of this economic group are: AESA Infraestructura y Minería, Centria, Clínica Internacional, Intursa, Melón, Minsur, Qroma, Raura, RIMAC Seguros, RIMAC EPS, Taboca, Tasa and Urbanova. Furthermore, in partnership with the Spanish group BBVA, it shares ownership of BBVA Banco Continental.

5.5. SHARE CAPITAL, NUMBER AND NOMINAL VALUE OF SHARES

Since 2010, the share capital remained S/ 1,922'001,500 represented by 19,220,015 common registered shares with a nominal value of S/ 100.00 each, all fully subscribed and fully paid.

The abovementioned share capital was agreed at the Shareholder's Meeting, held on November 26, 2010, and specified in a Deed certified by the Notary Dr. Ricardo Fernandini Barreda, on December 2, 2010, agreement that was registered in entry B 00006 of the Electronic Record N° 01141929 of the Legal Entities Registry of Lima and Callao. All our shares confer their holders the right to vote.

5.6. TYPES OF SHARES AND SHAREHOLDING STRUCTURE

We do not have shares of own issuance in the portfolio, or repurchased by the company, nor have the Shareholder general meeting delegated its powers to approve the increase in capital to the Board of Directors. At the end of FY 2020, the company had two common shareholders, out of which only one has a share of more than 5%.

Our main shareholders

Share	Nationality	Economic group
Inversiones Breca S. A.	Peruvian	-
Another - shareholder	Peruvian	-
Total	-	-

Common shares

Ownerships	Number of shareholders	% of participation
Less than 1%	1	0.00005%
Between 1% - 5%	0	--
Between 5% - 10%	0	--
More than 10%	1	99.99995%
Total	2	100.00000%

Equity stocks are registered in the Securities Public Registry, and are the only securities issued by Minsur S.A., listed on the stock market.

As of December 31, 2020, equity stocks issued by the company amounted to 960'999,163 shares of a nominal value of S/. 1 each.

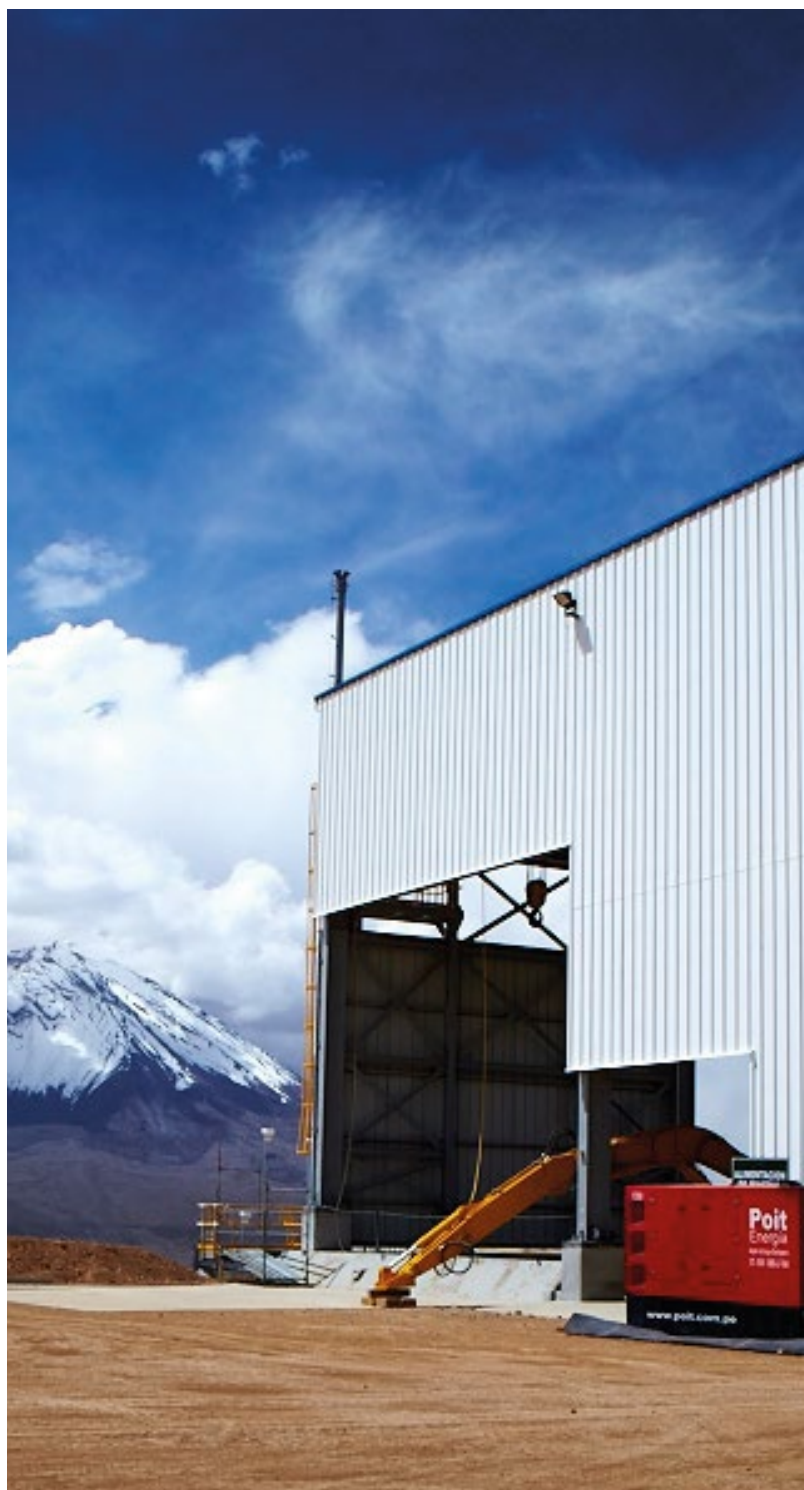
Equity stocks

Ownership	Number of shareholders	Percentage of participation
Less than 1%	2,717	18.28222%
Between 1% - 5%	6	15.19085%
Between 5% - 10%	6	45.30282%
More than 10%	1	21.22411%
Total	2,730	100.00000%

Structure of Minsur S.A.'s subsidiaries and investments

Subsidiaries of Minsur S. A.	Ownership	Subsidiaries of Minera Latinoamericana S. A. C. and Cumbres Andinas S. A. C.	Ownership
Minera Latinoamericana S. A. C.	99.90%	Mineração Taboca S. A. and subsidiaries	99.90%
		Inversiones Cordillera del Sur Ltda. And subsidiaries	85.39%
		Minera Andes del Sur S. P. A.	100.00%
Cumbres Andinas S. A. C.	99.99%	Marcobre S. A. C.	99.99%

Mr. Emilio Alfageme Rodríguez Larraín, Attorney with C.A.L. (Lima Bar Association) number 18694, who serves as Corporate Legal Manager of the company is responsible for the Securities Department.



5.7. EVOLUTION OF THE STOCK PRICE

MINSUR S.A.

Variable income

ISIN Code	Mnemonic	Year - Month	PRICES 2020				Average price
			Opening	Closing	Maximum	Minimum	
PE P622005002	MINSUR11	2020-01	1.54	1.65	1.85	1.54	1.64
PE P622005002	MINSUR11	2020-02	1.60	1.48	1.66	1.48	1.50
PE P622005002	MINSUR11	2020-03	1.49	1.30	1.54	1.29	1.32
PE P622005002	MINSUR11	2020-04	1.32	1.30	1.32	1.16	1.25
PE P622005002	MINSUR11	2020-05	1.33	1.49	1.49	1.33	1.45
PE P622005002	MINSUR11	2020-06	1.49	1.55	1.61	1.49	1.52
PE P622005002	MINSUR11	2020-07	1.55	1.75	1.77	1.55	1.65
PE P622005002	MINSUR11	2020-08	1.70	1.70	1.84	1.65	1.83
PE P622005002	MINSUR11	2020-09	1.75	1.70	1.78	1.63	1.72
PE P622005002	MINSUR11	2020-10	1.70	1.67	1.73	1.66	1.71
PE P622005002	MINSUR11	2020-11	1.67	1.70	1.78	1.64	1.69
PE P622005002	MINSUR11	2020-12	1.70	1.85	1.86	1.70	1.82

5.8. TAX TREATMENT

Tax authorities are entitled to review and -as applicable- to correct the Income tax calculated by our Company within the next four years after having filed the corresponding tax returns. Income tax returns for the years 2016 to 2020 and Sales tax returns for the years 2016 to 2020 are

pending review by the tax authority. To date, the Tax Administration has reviewed Income Tax returns corresponding to the FY 2000 to 2014, and Sales tax returns for FY 2000 to December 2008.

5.9. JUDICIAL, ADMINISTRATIVE OR ARBITRATION PROCEEDINGS

As of 2020, Minsur S.A. has -among others- the following Contentious Administrative lawsuits (CALs), which due to their importance are detailed below:

- A. Contentious administrative lawsuit filed in January 2019 by Minsur S.A. against OSINERGMIN's Resolution imposing us a fine of 110.42 Tax Units for allegedly not having authorization to operate a Slag Milling Plant at our Tin Smelting and Refinery plant. In this regard, it is important to point out that in January 2021, the decision made by the Court of first instance upholding our claim has been uploaded in the Judiciary Consultation System. It still needs to be notified, and thus the deadlines for OSINERGMIN to file an appeal -as it may be applicable- are not running. As a consequence, the Court of first instance has revoked the Resolution that imposed us the fine.

- B. Contentious administrative lawsuit filed in November 2007 by the Tacna Valley Users Association, against the Technical Management of the Tacna Irrigation District, the Regional Agriculture Directorate of Tacna, Minsur and the Ministry of Agriculture. With this lawsuit, the Tacna Valley Users Association claims that the Ministerial Resolution 497- 2007-AG, related to the operation of water wells that provide part of the water resources used in our Pucamarca operation, has to be declared null and void. In January 2017, the Court of first instance

issued a Decision partially upholding the claim. Subsequently, last October, the Superior Court of Tacna confirmed the first instance Decision. Minsur S.A. then filed the corresponding appeal, which has been admitted by the Third Transitory Constitutional and Social Chamber of the Supreme Court. Currently, we are waiting the hearing to be scheduled by the Permanent Constitutional and Social Chamber of the Supreme Court, which shall decide either to uphold or dismiss our appeal. In the event that our appeal is dismissed, the administrative resolutions that rectified the geographic coordinates of the water wells used in the operation of the Pucamarca mining project will be null and void. This could result in an administrative lawsuit questioning the continuity of this operation, provided that such coordinates are not renewed.

However, it is our lawyers' opinion that this is an unlikely contingency, since they consider that there it is very likely that the appeal will be upheld; and in any case, in the event of a negative scenario, Minsur could avoid an impact to its operation by adopting alternative administrative measures aimed at timely replacing the authorization for the use of the abovementioned water wells.

Likewise, we must inform that on November 22, 2018, we were notified with Directorial Resolution 1735-2018, by which the Caplina Ocoña Water Administrative Authority granted us a License to Use Surface Water

from the Azufre River for mining purposes, for an up to 20.25L/s flow to be used in the Pucamarca mining unit.

- C. On the other hand, we have 2 CALs filed by Minsur S.A., by which we claim that the 2 Resolutions issued by the Ministry of Energy and Mines that hold us responsible for the mining environmental liabilities, corresponding to mining concessions that were explored in the 1980s, shall be declared null and void. One of them is pending decision by the Court of first instance. And in the other one, both the Court of first Instance

and the Court of second instance did not uphold our claim. Thus, we have filed an appeal for cassation, aiming at reversing this decision.

It is worth pointing out that our external lawyers refer that it is very likely that the Decision in the first lawsuit will uphold our claim, and that there is a good probability to also obtain a favorable decision to Minsur S.A.'s interests in the second lawsuit.



06. CORPORATE GOVERNMENT

6.1. PROFESSIONAL TRAJECTORY OF DIRECTORS

Fortunato Brescia Moreyra

President

He is President of the Board of Directors of MINSUR since May 2013, a man born in Lima in 1959. He is a mining engineer, graduated from the Colorado School of Mines (USA) and the National Engineering University. Furthermore, he is Director of Breca, CEO of Marcobre and Compañía Minera Raura. He is also Vice-President of the Board of Directors of TASA. He is a member of the Board of BBVA, Intursa, Corporación Peruana de Productos Químicos, Melón (Chile) and of real estate companies owned by Breca Group. Moreover, he is President of the Board of Directors of Aporta, a non-profit association created by Breca companies to promote sustainable development programs.

Alex Fort Brescia

Vice President

He is the Vice-President of the Board of Directors of MINSUR since May 2013. He is a man, born in Lima in 1957. He earned a BA in economics from the Williams College (USA) and an MBA from Columbia University (USA). He is Co-President of Breca, President of the Board of Directors of the BBVA Continental, Melón (Chile) and Rímac Seguros. Furthermore, he is Vice-President of Marcobre, Futura Consorcio Inmobiliario and of real estate companies owned by Breca Group and of Corporación Peruana de Productos Químicos. Moreover, he is a member of the Board of TASA, Intursa, Raura and a member of the Board of Directors of Brein, innovation platform of Breca and Aporta, a non-profit association created by the companies of the Breca Group to promote sustainable development initiatives.

Rosa Brescia Cafferata viuda de Fort

Director

She is a member of the Board of Directors of MINSUR since 2014. She is a woman born in Lima in 1926. Furthermore, she is member of the Board of Directors of Breca and its subsidiaries Raura and Futura Consorcio Inmobiliario. She is also the Honorary President of the Board of Directors of the Peruvian Center for Hearing, Language and Learning (CPAL), a non-profit institution devoted to education and rehabilitation of children, adolescents and adults. As a founder and Director of the Research group on xerophytes, she has published the book "Jardines verdes con poca agua" (Green Gardens with little water) (Lima 2005 – First edition, Lima 2010 – Second edition and Lima 2016 – Third edition), aiming at promoting crops of urban sustainable plants in the Peruvian coast. In 2010 she was awarded by the Congress with the Medal of Honor in the Rank of "Officer" for her contribution to rehabilitation and special education of people with hearing impairments. In 2009, she received the "Order of Merit for Distinguished Services" in the rank of "Commander", in recognition of her education work in CPAL and her contribution to research and promotion of xerophytes.

Mario Brescia Moreyra

Director

He is Director of MINSUR since 2001 and Director of Breca. He is a man, born in Lima in 1961. He graduated in Business Administration from the Ricardo Palma University (Lima, Peru).

He is a member of the Board of Directors of Breca and is also the President of the Board of TASA. He is also Vice-President of Melón (Chile) and Intursa, and a member of the Board of Directors of Rimac Seguros, of the real estate companies of Breca, of BBVA Continental, Raura, Marcobre and Corporación Peruana de Productos Químicos. Furthermore, he is Vice-President of the Board of Aporta, a non-profit association created by the Breca companies to promote sustainable development.

Pedro Brescia Moreyra

Director

He is Director of MINSUR since 2011. He is a man, born in Lima in 1967. An economist, who graduated from Boston University (USA). He is Co-President of Breca and chairs the Board of Directors of Corporación Peruana de Productos Químicos, of Futura Consorcio Inmobiliario and of the real estate companies of Breca Group and Intursa. He is also Vice-President of BBVA Continental and Rímac; as well as a member of the Board of Minsur, Marcobre, Raura, Melón (Chile), Tasa and of Aporta, a non-profit association created by Breca companies to promote sustainable development.

Jaime Aráoz Medanic

Director

Director of Minsur since March 2016. He is a man, born in Lima in 1971. He graduated in Business Administration from the Lima University and earned an MBA from the Kellogg Graduate School of Management (USA). Currently, he is General Manager of Breca, its corporate center and Holding Continental. He is also a member of the Board of the Directors of Cementos Melón (Chile), of Futura Consorcio Inmobiliario and of the real estate companies owned by Grupo Futura Consorcio Inmobiliario, Marcobre, Intursa, Qroma, Raura, Rimac and TASA. Furthermore, he is a member of the Board of Aporta and an alternate Director of BBVA Continental.

In addition, he is Director of the Instituto Peruano de Economía - IPE (Peruvian Institute of Economics). Since 2003 he is part of Breca, where he started as Administration Manager in Administración de Empresas S.A., and then as Corporate Strategy and Business Manager. He worked in the holding of Consorcio Minero S.A. (now Trafigura PLC), Serfin and Investa (stockbroker and investing banker, at that time). After earning his Master's Degree he worked at Enron in different positions in Houston (USA) up to March 2003.

Miguel Aramburú Álvarez-Calderón

Director

Independent Director of MINSUR since September 13, 2012. He is a man, born in Lima in 1963. Industrial Engineer graduated from the Pontifical Catholic University of Peru; he earned an MBA from the Graduate School of Business of Stanford University. He is a member of the Board of Directors of Enfoca Investments, of Certus Institute, of Toulouse Lautrec Institute, of the UCAL University and is a member of the Technical Committee of Fibra Prime. He chaired the Board of Directors of Fénix Power and was a member of the Board of Andino Investment Holdings, Neptunia, Empresa Editora El Comercio, Stracon, GyM, the Lima Stock market, Castrovirreyna Compañía Minera S.A., of Maestro Perú and of Pacífico Vida. He worked in Hochschild Mining PLC for 15 years, up to March 2010, where his most recent position was CEO.

Patricio de Solminihac Tampier

Director

Independent Director of Minsur since March 2019. He is a man, born in Chile in 1955. He graduated as a civil industrial engineer from the Pontifical Catholic University of Chile and earned a Master's Degree from the University of Chicago. From 2015 to 2018 he was the General Manager of Sociedad Química y Minera de Chile S.A. and Deputy General Manager from 200 to 2014, having joined the company in 1988. Currently, in Chile, he also works as a member of the Board of CMPC Celulosa S.A., Vidrios Dellorto S.A., Viñedos Terranoble S.A. and Melón S.A., subsidiary of Minsur S.A. He is Advisor of Sociedad de Fomento Fabril (Sofofa) in Chile.

Miguel Ángel Salmón Jacobs

Director

Alternate Director of the Board of MINSUR since March 2013. He is a man, born in Lima in 1964. He graduated in law and political sciences from the Lima University. He was Legal Manager of ARMCO PERU and SIDER PERU, as well as Legal Corporate Manager of El Comercio Group. Currently, he is an Alternate Director of Holding Continental and BBVA Continental, Rímac Seguros, and of real estate companies of the Group, CPPQ, Intursa, Minsur and TASA. Moreover, he is the Corporate Legal Vice President of Breca Corporation.

6.2. OTHER ASPECTS RELATED TO THE BOARD OF DIRECTORS

Directors Fortunato Brescia Moreyra, Mario Brescia Moreyra and Pedro Brescia Moreyra are blood relatives in second degree of collateral line. They are also blood relatives in third degree of the collateral line with Director Rosa Brescia Cafferata. Likewise, they are blood relatives in fourth degree of the collateral line with Director Alex Fort Brescia. Director Alex Fort Brescia is blood relative in the first degree of the direct line with Mrs. Rosa Brescia Cafferata.

6.3. PROFESSIONAL TRAJECTORY OF MANAGERS

Juan Luis Kruger Sayán

General Manager

He is General Manager of MINSUR since March 2013. He graduated in Business Administration from the Pacific University, Peru, and earned a Master's Degree in Business Administration from Harvard University, USA. He has been in Senior Management positions for over 20 years in multinational companies of the mining, finance, telecommunications and consumer goods industries in several countries of South America and has experience as a consultant in strategic management in McKinsey. Former Executive Vice President of Gold Fields Ltd. for South America and General Manager of Gold Fields La Cima S.A.A. Before that he was the CEO of LAN Perú S.A. and CFO of Glencore for the regional operations.

Yuri Alfredo Gallo Mendoza

Corporate Project Manager

He is the Expansion Project Manager since July 2020, and has been working for Minsur since August 2014, holding the positions of Project Development Manager and Corporate Project Manager. He has 27 years of experience in project implementation and development, metallurgical operations and maintenance of industrial plants and infrastructure, 25 of which have been devoted to the mining industry. He has been Project Development Manager in Minsur, Engineering Manager in Ausenco – Constancia Project, Project and Engineering Manager in BHP Billiton Copper-Uranium Division in the Olympic Dam Expansion Project – Australia, Engineering and Research Manager in Yanacocha-Newmont (including the Gold Mill and Conga projects), and mechanical engineering functional manager in the Expansion project department of Southern Peru Copper for modernizing the smelting plant of Ilo, among others. He graduated as a mechanical engineer from the Pontifical Catholic University of Peru and earned a Master's Degree in Business Administration from the Private University of Tacna and a Diploma in megaproject assessment and PMP certificate.

Luis Argüelles Macedo

Chief Operations Officer (COO)

He was Director of Operations of Minsur since December 2012 to April 2017, when he became Chief Operating Officer (COO). He has 25 years of experience in the mining industry, serving in senior management positions. Civil engineer, graduated from the Pontifical Catholic University of Peru, with Senior Management studies from the University of Piura (Lima premises), as well as various studies at Berkeley University, Crestcom and other institutions.

Gonzalo Quijandría Fernández

Director of Corporate Affairs

He is the Director of Corporate Affairs of Minsur since September 2013. Formerly, he served as Director of Corporate Affairs of Barrick Misquichilca and was the Manager of Corporate Affairs of Compañía Minera Antamina. Attorney, graduated from the Pontifical Catholic University of Peru, was a Fellow of the Nieman Foundation at Harvard University. He is the Director of Corporate Affairs of Minsur since September 2013. Formerly, he served as Director of Corporate Affairs of Barrick Misquichilca and was the Manager of Corporate Affairs of Compañía Minera Antamina. Attorney, graduated from the Pontifical Catholic University of Peru, was a Fellow of the Nieman Foundation at Harvard University. He has a specialization in mining management from the Pontifical Catholic University of Chile and has taken communication courses in the Theodore Haus Academie of Gummerbach, Germany, and Community Relations courses in Orissa, India. He participated in the Advanced Management Program of the School of Senior Management (PAD) of the University of Piura.

Diego Molina

Director of Transformation and Strategy

Director of Transformation and Strategy since September 2019. He previously held the position of Director of Finances since August 2017 to September 2019. Furthermore, he held management positions in the financial departments of Amcor (former Peruplast) and SQM. He has more than 10 years of experience in the mining and industrial sector, performing new business implementation and commercial support roles, and operations in Peru, China and other countries. He graduated as a civil engineer from the Catholic University of Chile and earned an INSEAD MBA from Tsinghua University in Singapore, China and France.

Joaquín Larrea Gubbins

Director of Finances

Director of Finances since September 2019. He previously held the position of Central Manager of Corporate Development in Cementos Pacasmayo, was Director of Business Development for General Electric Peru, Ecuador and Bolivia, and a member of the Corporate Bank team of BankBoston. He has more than 15 years of experience in the concrete, fertilizer and bank sectors in project development, commercial and financial positions. He graduated as a Business Administrator from the Lima University and earned an MBA from the Kellogg School of Management of Northwestern University.

Ralph Alosilla-Velazco

Director of Logistics and Information Technology

He is Director of Logistics and Information Technology of MINSUR since November 2015. Formerly he was Vice-President of Logistics and Marketing at Gold Fields La Cima S.A. and had several management positions in companies of the Glencore Group and Southern Peru Copper. He has more than 20 years of experience in the mining sector. He graduated as an Industrial engineer from the Lima University and earned a master's degree in Global Business Administration from the Business School of the Pontifical Catholic University of Peru, and also an MBA from Tulane University.

Álvaro Escalante Ruiz

Director of Human Resources

He is Director of Human Resources of MINSUR since October 2014. Bilingual executive with 20 years of management experience in Sales, Marketing, Consultancy and in the last 15 years in Human Resources. He has worked in national and transnational companies of various sectors, such as mass consumption, education, industry and mining. He has been a teacher in the Postgraduate School of the Peruvian University of Applied Sciences (UPC) and of the Andrés Bello University of Chile. He has also been executive coach and is a columnist of Aptitus magazine, edited by Gestión. He graduated in Business Administration from the Pacific University and earned an MBA from the Pontifical Catholic University of Chile

Hik Park

Director of Internal Audit

He is Director of Audit of Minsur since November 2018. Trilingual executive with 25 years of experience in consultancy and auditing, and more than 10 years of experience as Audit Manager. He has worked in national and transnational companies in over 5 countries. He is the former Audit Manager of Pan American Silver Corp (Canada). He is a part-time teacher of the Senior Management Program of the Piura University. He has been a member of the Board of Directors of the Institute of Internal Auditors in Vancouver, Canada, and is associated to the Institute of Internal Auditors of Lima, Peru. He has lectured on internal control, risks and fraud issues in Canada, Argentina, Mexico and Peru. Industrial Engineer graduated from the Pontifical Catholic University of Peru, he earned an MBA from the Piura University – IESE, a Master's Degree in Education from the Villanueva Center and the Complutense University of Madrid. Certified Internal Auditor (CIA®), Certified Fraud Examiner (CFE®), and Certified in Risk Management Assurance (CRMA®)



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