



Environmental, Social and Governance Strategy

October 2021

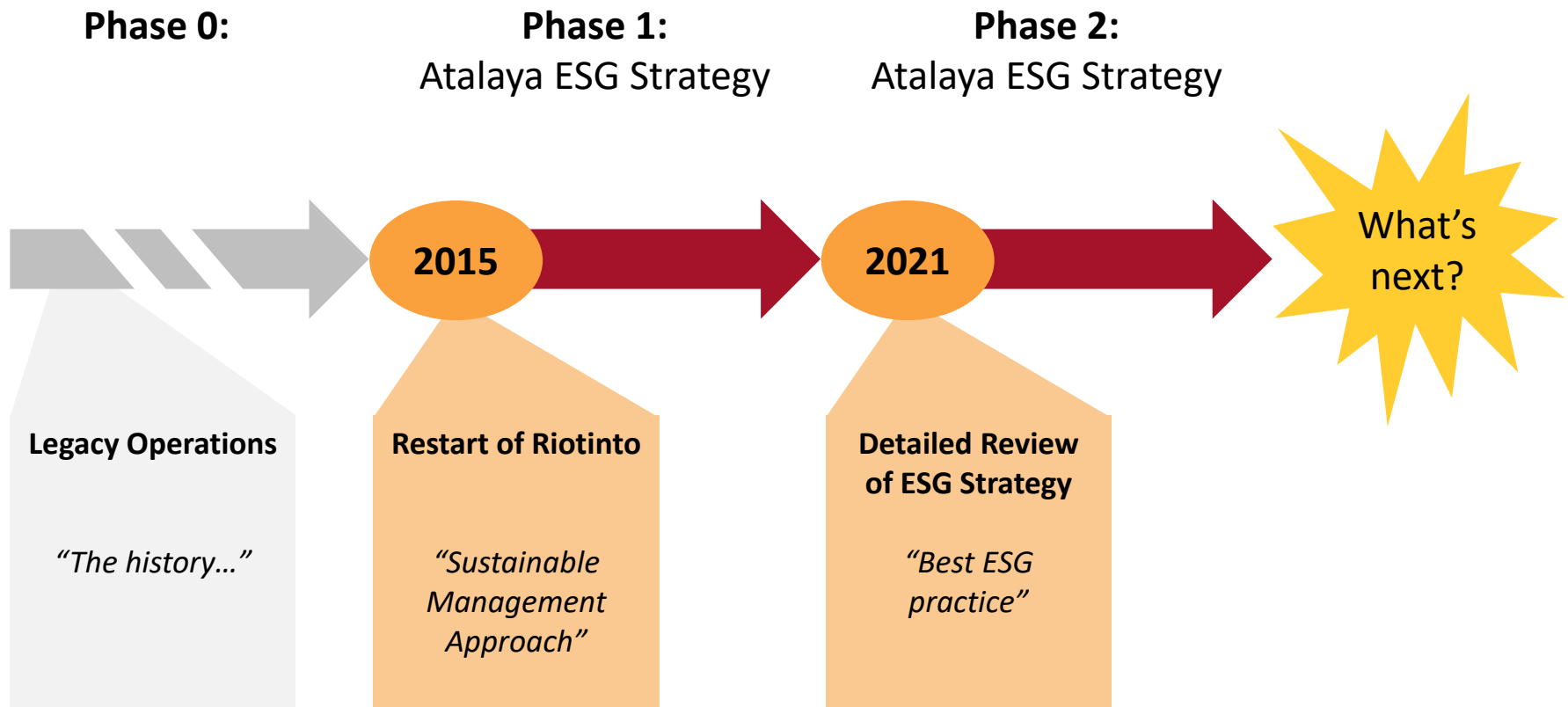


Objectives

Provide society with the essential raw materials required for economic growth and the energy transition

Conduct responsible mining that positively impacts local communities, the environment and all our stakeholders

Review of Historical ESG Strategy



Sustainable Management Approach

Period: 2015-2020

Environmental

- Minimize our environmental impacts
- Legal compliance
- Annual goals and objectives programme for continuous improvement
- Resource consumption efficiency
- Conservation of biodiversity
- Promotion of circular economy and waste management
- Rehabilitation

Social

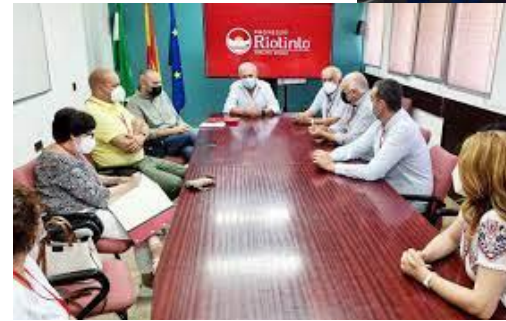
- Creation of Atalaya Riotinto Minera Foundation, for CSR management in the local community
- Creation of Works Council
- Safe operation
- Promotion of local employment
- Historical heritage management
- Local purchasing

Governance

- Approval of operational policies: Environment, Health and Safety, quality and prevention of serious accidents
- Legal compliance
- Ethics and transparency
- Risk and opportunity analysis
- **€1.8 million** through Atalaya Riotinto Foundation for projects in the local community

Accomplishments 2015-2020

Certifications




Awards

- Certifications at Riotinto: ISO 14001:2015, ISO 9001:2015, ISO 45001
- Annual contest for the promotion of capital venture in the local community (€25k)
- MC MUTAL ANTONIO BARÓ 2019 Award for labour risk prevention
- Atalaya Mining Andalucía Capital Award 2020 to the best-in-class mining company in Andalusia

Actions

- Annual editions of the training program for unemployed
- Publication for the enhancement of historical heritage
- Increase in biodiversity at the mining site
- Annual Corporate Social Responsibility publications
- Townsfolk visiting program to Riotinto Mine

Phase 2: Detailed Review of ESG Strategy



Atalaya Mining es una empresa minera europea dedicada a la investigación, extracción y procesamiento de minerales para producir concentrado de cobre. Nuestro objetivo es proveer esta materia prima esencial, necesaria para la vida diaria e imprescindible para el desarrollo de nuestra sociedad.

POLÍTICA DE SOSTENIBILIDAD


"Comprometidos con una gestión sostenible de los recursos minerales para un futuro mejor"

Las personas que formamos parte de Atalaya Mining partimos del compromiso firme con una producción responsable de metales en toda su cadena de valor. En base a nuestra experiencia y conocimiento del negocio, procuramos la consecución de los mejores resultados repercutiendo de forma positiva en empleados, colaboradores, comunidades locales, medio ambiente y todas nuestras partes interesadas.

Para lograrlo, asumimos el compromiso de realizar una gestión sostenible de nuestras operaciones mineras, incorporando criterios de buen gobierno, cuidado del medioambiente y responsabilidad social. Para ello, hemos incorporado los Diez Principios del Pacto Mundial de Naciones Unidas como ejes de nuestra estrategia corporativa, y establecido los siguientes puntos que conforman nuestra Política de sostenibilidad:

- 01/ Asegurar un sistema sólido de buen gobierno corporativo, integrando la consecución de los Objetivos de Desarrollo Sostenible como estrategia en la toma de decisiones.
- 02/ Implementar sistemas efectivos de gestión de riesgos y oportunidades en nuestras operaciones mineras.
- 03/ Promover el empleo de calidad, que permita el desarrollo personal y profesional de las personas y contribuya a un crecimiento económico inclusivo y sostenible.
- 04/ Priorizar una operación segura, procurando la mejora continua en el ámbito de la seguridad y la salud de las personas con el objetivo final de cero daños.
- 05/ Respetar el entorno natural, manteniendo un enfoque preventivo que persiga la mejora continua en el desempeño ambiental de las operaciones, integrando la lucha contra el cambio climático en su estrategia sostenible.
- 06/ Participar proactivamente en la consecución de un desarrollo territorial duradero, más allá de la vida de la mina, promoviendo la creación de capital territorial alternativo.
- 07/ Contribuir al desarrollo de los territorios donde operamos, participando en la mejora de las condiciones de vida de nuestro entorno desde una perspectiva de responsabilidad social.
- 08/ Trasladar nuestra cultura de sostenibilidad a toda nuestra cadena de valor.
- 09/ Responder con transparencia a nuestros grupos de interés, a través de indicadores de desempeño económico, ambiental y social, con un enfoque de integridad, comparabilidad y precisión en la información generada.
- 10/ Fomentar la innovación, mediante la investigación y el desarrollo de tecnologías sostenibles y procesos de economía circular, estableciendo alianzas y colaboraciones con otros grupos de interés.

En Atalaya, la sostenibilidad es parte integral de la organización en todos sus niveles y cumplir esta Política es responsabilidad de todas las personas que la conforman y de sus colaboradores. Para ello, nos comprometemos a revisar periódicamente nuestro desempeño y hemos establecido canales de comunicación para fomentar la transparencia y trasladar esta cultura de sostenibilidad a toda nuestra cadena de valor.


Alberto Lavandeira, CEO
15 de febrero de 2021

Atalaya ESG Strategy

1. Good governance
2. People
3. Safety Operation
4. Environment and Climate Change
5. Society
6. Innovation and Technology

*Aligned with the
10 Principles of
the United
Nations Global
Compact and
ICMM Principles*



Pacto Mundial Red Española

MINING PRINCIPLES

ICMM



Materiality Matrix

Materiality matrix

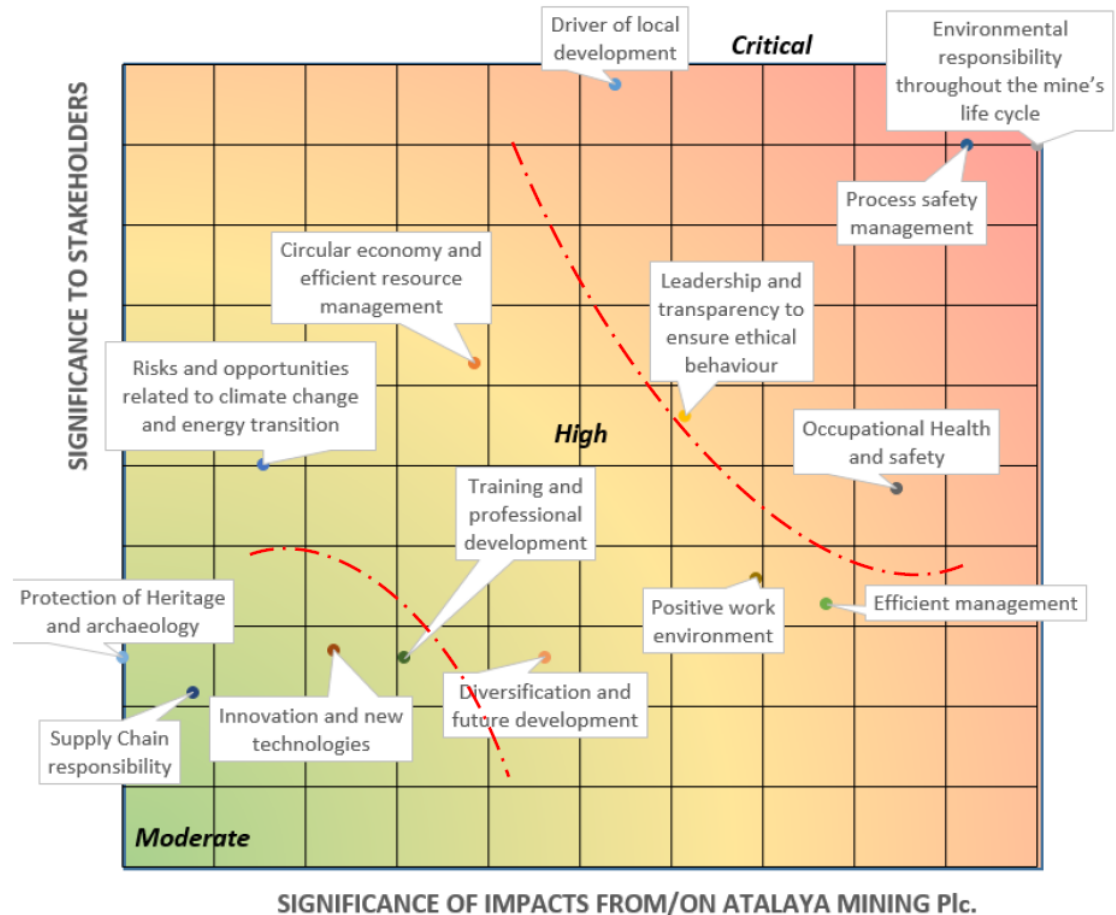
Based on the results of the workshop, the following materiality matrix is proposed for Atalaya Mining Plc.

It prioritizes sustainability aspects and structures them into three main regions (Critical aspects; Highly material aspects and Moderate material aspects).

The matrix has been developed in accordance with the main standards (GRI, SASB).

However, it could be further developed by adding new dimensions:

- Potential financial impact on the company of each aspect (Bubble size).
- Probability of occurrence (Colour of the bubble).



Strategy

- Align corporate governance management with principles and values of sustainable development
- Commitment to human rights
- Ethics
- Anti-corruption and anti-bribery policies
- Transparency and accountability
- Strong legal compliance system
- ESG risks and opportunities



Achievements

- Adherence to the United Nations Global Compact in 2020
- Sustainability policy with an ESG approach, creation of the Atalaya sustainability corporate team and ESG corporate strategy
- Sustainability commission to monitor the strategy
- In the implementation phase of a compliance system
- Dialogue with our stakeholders
- Accomplishment of materiality analysis
- Currently in the drafting phase of Atalaya's 2021 Sustainability Report based on GRI criteria and SASB standards
 - ERM hired as consultant

Strategy

- Personnel management: strength of our organization
- Respect for freedom of affiliation and collective negotiation
- Promote gender equality
- Promote diversity and inclusion
- Display training plans to stimulate talent
- Establish communication channels with the personnel
- Transfer of sustainable culture to the personnel

Achievements

- **471** employees
- **79%** permanent contracts and **66%** local employment (**80%** within the Huelva province)
- Employees representatives since restart of mining operation
- **17%** women rate (above the Spanish mining sector average of **6.9%**).
- ATYM Equality Plan under development
- Key agreements with special employment centers: ILUNION and ASPROMIN
- **8,700 hours** of training in 2020
- **€100k** in training plans in 2020
- Communication channels: implementation of the ATYM Intranet and employment website

Strategy

- Preventive approach and continuous improvement
- Continuous training
- Mining waste management with a circular economy approach
- Facilities management for mine waste management
- Monitoring and measurement
- Develop, maintain and test emergency plans
- Prevention of serious accidents

Achievements

- Ongoing investment to reinforce the facilities' security
- External quarterly report on our mining waste facilities
- Protocol for COVID-19 prevention
- Implementation of a pioneering safety leadership programme
- Nursing on site 24h/365 days
- Creation of Emergency Brigade



Strategy

- Preventive approach and continuous improvement to minimize impacts
- Minimize environmental risks
- Adaptation and mitigation against Climate Change
- Protect biodiversity
- Promote circular economy
- Sustainable management of natural resources
- Training
- Rehabilitation and closure
- Alternative environmental capital – what are we leaving



Achievements

- Environmental impact monitoring and measurement program with **40** checkpoints
- Response to climate change:
 - Riotinto carbon footprint calculation (**Scopes 1 and 2 completed**) since 2016
 - Atalaya participation in the Climate Ambition Accelerator 2021 promoted by UN Global Compact
 - 50MW solar plant project for energy self-consumption of renewable origin presented to the administration
 - Estimation of water footprint at Riotinto
 - **83% recycled water**
 - **Zero discharge**
- Riotinto biodiversity indicators
- Natural capital in new projects (Proyecto Touro)
- **85%** of waste destined to circular economy
- **€1.5 million** in environmental protection in 2020
- Pilot project for the application of Technosols in rehabilitation

Strategy

- Contribute to the social development of the local community
- Preservation and enhancement of Cultural Heritage
- Transfer sustainability culture to the supply chain
- Communication with our stakeholders



Achievements

- **€650k** in activities of public and social interest through Fundación Atalaya
- **33** beneficiary entities
- Creation of an industrial school for the unemployed
- **€1.6 million** in protection and enhancement of Historical Heritage in 2020
- Agreement for the opening to the public of Corta Atalaya
- **51%** Local suppliers (Andalucía)
- Suppliers' performance monitoring

Innovation and Technologies (6/6)

Strategy

- Commitment to innovation
- Search for more sustainable technologies
- Alliances in R&D



Achievements

- Formalization of an R&D working group in Atalaya
- Ongoing projects in terms of innovation:
 - Circular Economy
 - Energy efficiency
 - Geotechnical surveillance and control
- R+D+i / EBITDA ratio of **6.6%**
- Alliances:
 - AMINER
 - UNIVERSITIES
 - CSIC

PROVINCIA

Atalaya Mining se adhiere al Pacto Mundial de las Naciones Unidas para la sostenibilidad

Caso de éxito

- La iniciativa compromete al sector empresarial a trabajar por un futuro sostenible para el planeta

Atalaya Riotinto Minera, una empresa que promueve la formación, la participación y el desarrollo personal

Redacción

MC MUTUAL

10/08/2021

MINA

Atalaya construirá una gran planta solar para alimentar la mina de cobre de Riotinto

- La inversión rondará los 30 millones de euros y el proyecto se realizará en suelos mineros históricos

PROVINCIA

La Fundación Atalaya ofrece formación gratuita para desempleados de la Cuenca Minera

Continued Focus for 2022...

ESG Strategy to follow

Good Governance

Provide continuity in the development of corporate policies on ESG matters and provide GRI and SASB Standards

People

Expand the role of women in the mining industry

Safety Operation

Fulfil the International standard issued by the ICMM for mining waste

Environmental & Climate Change

Regularize a climate change mitigation and adaptation strategy for Atalaya, to identify climate risks and opportunities

Society

Conduct a social impact study of our activity (Social Capital)

Innovation and Technologies

ELIX Technology



Environmental, Social and Governance Strategy

WE PROMOTE SUSTAINABLE MANAGEMENT
OF MINERAL RESOURCES FOR A BETTER FUTURE

Appendix

Ten Principles of the UN Global Compact



The people that we are part of Atalaya Mining start from the firm commitment to responsible metal production throughout its value chain. Based on our experience and knowledge of the business, we strive to achieve the best results by having a positive impact on employees, collaborators, local communities, the environment and all our stakeholders.

To achieve this, we assume the commitment to carry out a sustainable management of our mining operations, incorporating good governance criteria, care for the environment and social responsibility. To this end, we have incorporated the Ten Principles of the United Nations Global Compact as the axes of our corporate strategy, and established the following points that make up our Sustainability Policy:

1. Ensure a solid system of good corporate governance, integrating the achievement of the Sustainable Development Goals as a strategy in decision making.
2. Implement effective risk and opportunity management systems in our mining operations.
3. Promote quality employment, which allows people personal and professional development and contributes to an inclusive and sustainable economic growth.
4. Prioritize a safe operation, seeking continuous improvement in the field of safety and people's health with the zero damage end goal.
5. Respect the natural environment, maintaining a preventive approach that pursues continuous improvement in the environmental performance of operations, integrating the fight against climate change in its sustainable strategy.
6. Proactively participate in the achievement of a lasting territorial development beyond the life of the mine, promoting the creation of alternative territorial capital.
7. Contribute to the development of the territories where we operate, participating in the improvement of the living conditions of our environment from a perspective of social responsibility.
8. Transfer our culture of sustainability to our entire value chain.
9. Reply with transparency to our stakeholders, through economic, environmental and social performance indicators, with a focus on integrity, comparability and precision in the information generated.
10. Encourage innovation, through research and development of sustainable technologies and circular economy processes, establishing alliances and collaborations with other stakeholders.



Material aspects for Atalaya Mining Plc.

Material aspects (1:5)

A list of 14 relevant aspects is proposed to Atalaya Mining Plc. based on its critical role as a source of environmental, social and economic impacts and its potential to substantially influence the assessments and decisions of stakeholders over the company.



Environmental

Environmental responsibility throughout the mine's life cycle

Circular economy and efficient resource management

Risks and opportunities related to climate change and energy transition.

Process safety management



Social value

Occupational Health and safety (OHS)

Driver of local development

Protection of Heritage and archaeology

Training and professional development

Positive work environment



Strategy and efficient management

Innovation and new technologies

Efficient management

Diversification and future development



Ethics and Leadership

Supply Chain responsibility

Leadership and transparency to ensure ethical behavior

Material aspects (2:5)

Aspect	Topics inside the aspect
1. Environmental responsibility throughout the mine's life cycle	<ul style="list-style-type: none"> • Compliance with the requirements of the Unified Environmental Authorization (AAU) and the Environmental Monitoring Plan. • Exhaustive monitoring of environmental aspects and adoption of management practices externally certified against the most exigent standards. • Adoption of best management practices to support ongoing permitting processes (Exploration projects, Touro, etc.). • Transparent and regular relations with the environmental authorities. • Monitoring, mitigation and compensation of local impacts (Biodiversity, emissions,...) including innovative approaches (projects regarding biodiversity, research projects with universities in different areas, digitalization,...). • Restauration plan for mining closure and other historical non-active areas (liabilities inherited). Continuous effort for implementing measures, providing financial guarantees and updating the plan to integrate environmental and local authorities' expectations.
2. Circular economy and efficient resource management	<ul style="list-style-type: none"> • Constant effort for minimization and reutilization of wastes (annual plans). Valorisation of certain fractions (metallic waste). • Reuse and utilization of mining waste for restoration activities and heightening of the dam. • Awareness-raising efforts. • Environmental footprinting, which supports the adoption and monitoring of measures for an effective management of natural resources. • Zero water discharge policy.
3. Risks and opportunities related to climate change and energy transition.	<ul style="list-style-type: none"> • Opportunities of energy transition as Copper and other metals are critical resources for electrification. • Promotion of a solar plant to reduce emissions and use renewable energy onsite. • Carbon footprint as a basis for approving a decarbonization plan. Registration in the Environmental Ministry Initiative to show commitment. • Need for evaluating and managing potential risks posed by climate change (transition risks, physical risks, etc.).
4. Process safety management	<ul style="list-style-type: none"> • Ambitious Safety Project for the mine. Updating of it to include practices beyond regulations and initial authorization. • Constant effort to guarantee safety of dams, tips and tailings (i.e. external audits; adoption of practices following international guidelines as requested by insurers; investment; comprehensive monitoring; use of pioneers techniques; employee training;). • Issuance of authorizations and registration of industrial equipment. Conduct a proper maintenance and inspections. • Emergency and Autoprotection Plans. Constant effort for updating the plans and adopting the best practices (first response brigade made up of volunteer workers who have received specific training; frequent emergency drills over regulation requirements). • Collaboration on a sectoral basis and with public administration in updating the regalement about safety on mining.

Material aspects (3:5)

Aspect	Topics inside the aspect
5. Occupational Health and safety (OHS)	<ul style="list-style-type: none"> • Outstanding H&S performance over sector benchmarks considering not just employees but also contractors. • Establishment of an H&S Committee with an active role in identifying improvements and monitoring management. Transparency and fulfillment of commitments adopted by the Committee. • Adoption of additional good practices (24 h nursing, internal prevention service with the three specialties, evaluation of psychosocial factors, etc.). • Considering contractors as critical as they have as many employees as the company onsite. • Reinforcement of security culture developing leadership, employee training and other awareness raising activities for contractors. • Prevention of COVID-19 contagions (committees to articulate response, preservation of measures after the abolition of the state of alarm, etc.).
6. Driver of local development	<ul style="list-style-type: none"> • Intention of the company to last for a long period. • Generation of an important impact on job creation and improvement of human capital in a disadvantaged area. Signing of agreements with local authorities to promote job creation in the area. • Development of additional actions, alone or in collaboration with other partners, to support unemployed inhabitants through training activities. • Active role of Atalaya Foundation in promoting local entrepreneurship and supporting other educational, welfare and sporting initiatives. • Support to economic diversification of the local environment promoting the protection of local and cultural heritage as a touristic value. • Proactive and transparent approach in engagement and communication with local stakeholders. • Respect and appreciation from local communities is critical to the project.
7. Protection of Heritage and archaeology	<ul style="list-style-type: none"> • Adaptation of activities to the specific characteristics of the Site (Asset of Cultural Interest). • Monitoring of land movements and prospections using best technologies to protect archaeological remains. Adoption of compensatory measures. • Efforts to document existing heritage and enable it to become known. Possible creation of a space to serve as a museum/interpretation centre. • Existence of important financial and human resources to manage properly these activities. • Promotion of mining heritage in collaboration with other partners as a touristic attraction, which will contribute to economic diversification. • Reception of visits from universities and other interested publics.
8. Training and professional development	<ul style="list-style-type: none"> • Important effort to provide basic training and other capacitation to employees contracted in the local area. • Internship programs and other collaborations with institutes and universities. • Existence of a training program that covers technical aspects and development issues. • Employee performance appraisal and establishment of annual goals.

Material aspects (4:5)

Aspect	Topics inside the aspect
9. Positive work environment	<ul style="list-style-type: none"> • Peaceful and collaborative relations between the company and employees, which has been reflected in the signing of a Collective Agreement. • Absolute respect for workers' rights and freedoms. • Culture of transparent relations with employees (i.e. collaborative work with the Works Council). • Reinforcement of corporate commitment with equal opportunities through the approval of an Equality Plan. • Establishment of specific policies and incentives to attract new talent to the company
10. Innovation and new technologies	<ul style="list-style-type: none"> • The Riotinto Mine is a leading mining operation in terms of technological development and responsibility. • Creation of a new area to manage all innovative efforts. • The acquisition of new assets with different characteristics and new European guidelines will require an innovative approach. • Energy efficiency, valorization of reserves in mining waste, digitalization and increment of production will constitute strategic axis in innovation. • Some important projects in R&D involve the improvement of Copper concentrate and production of final products; improvement of dam monitoring through the use of seismic sensors and aerial photography, other works to reinforce the stability of tailing ponds. • Collaboration with other partners in innovation and R&D projects. • Important efforts to promote digitalization in the processes performed by different departments which have brought some benefits in terms of efficiency, reduction of costs, quality and security of data, etc.). • Adoption of a specific plan and measure to guarantee cybersecurity. • Objective to implant and explode a 5G network in our facilities in collaboration with other partners.
11. Supply Chain responsibility	<ul style="list-style-type: none"> • Prioritization of local purchases to promote development. This approach brings benefits in terms of flexibility, risk mitigation and response speed. • Establishment of specific requirements for contractors in areas like environment, safety and other good practices. Supplier's audits are conducted. • Active engagement with contractors previously to the allocation of a contract to guarantee security practices and promoting local workforce contracting. This is an important line of action to reinforce in the future. • The use of chemical products and the precedence of some purchases are important sources of risks in critical supplies. • Potential to prioritize suppliers according to environmental footprint in the future.


Material aspects (5:5)

Aspect	Topics inside the aspect
12. Efficient management	<ul style="list-style-type: none"> Once Riotinto project has been consolidated (production achieved 15 million tons) the company should focus in operate with excellence and optimize our costs (All-in Sustaining Costs). The company has set the basis for future growth. Beside cost optimization, adopting practices to foster efficiency and comply with guidelines to provide information to market will be priorities. The implementation of integrated management systems between mining and industrial operations is key for the efficiency in the process. Atalaya is capable to deliver a product with almost no pollutant elements which improves the selling price and company profitability. A good performance on sustainability and transparent communication will facilitate our capability to attract new finance and equity. High prices of Copper raises EBITDA and provides us provide us with a good cash position. Commitment of the mining sector with investment on exploration and viability of new sites concedes some fiscal advantages. Current efforts for improving internal control mechanisms and policies.
13. Diversification and future development	<ul style="list-style-type: none"> Riotinto project has potential to add value to operations and extend the life of the project. Mining reserves search to increase the life of the project. Copper has great future potential and has proven to be a resilient during a crisis period. Different diversification alternatives are being explored (e.g. geographically, new commodities, new assets, new technologies as E-Lix, mining of polymetallic compounds, etc.). Touro is a critical project to create value and support growth. The project has been designed with the highest environmental standards, is being promoted with transparency and will consider restoration since the beginning in order to overcome opposition from some groups. Lack of growing could derive in the acquisition of Atalaya by other mining Group. Some concerns in our growth strategy (i.e. permitting in Touro, limited organic growth potential in our local area, difficulty to continue optimizing costs, potential reduction in Copper prices, uncertainty of priorities in main shareholders). Being listed in London Stock Exchange constitutes a goal and will allow us to increment our liquidity.
14. Leadership and transparency to ensure ethical behavior	<ul style="list-style-type: none"> Management team constitutes one of the strengths of the project. The Board of Directors is also a value thanks to its diversity and independence. Raising our good governance practices will be compulsory to be listed in London Exchange. Fulfillment of commitments is other strength of our company. Legal compliance is a must. Atalaya mining has implemented specific measures (i.e. implementation of the Penal Compliance and Corporate Defence System, Whistle-blower policy and ABC Policy, etc.). Transparency is key for reassure good performance to stakeholders. Atalaya has an open doors policy to ecologists and other groups. In addition, Atalaya consider as a key the transparent communication with employees through Worker's Committee.



Prioritization of material aspects

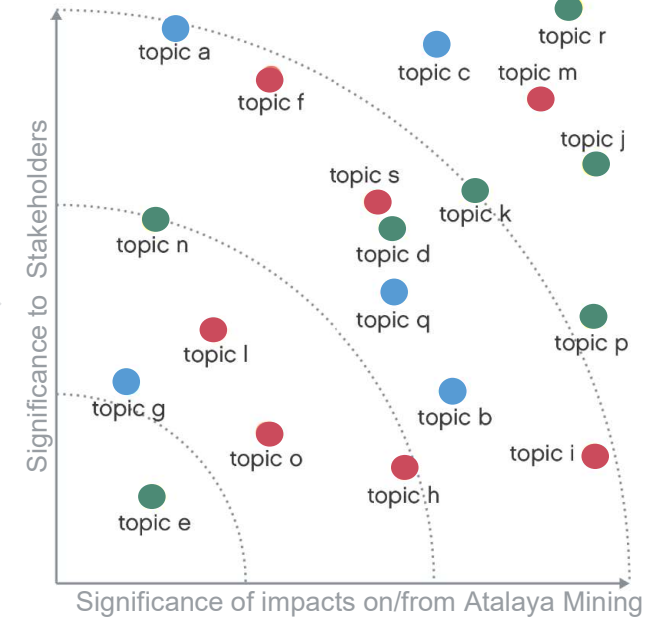
Criteria to prioritize

Materiality definition	Axis
	
A material topic reflects issues that:	
<ul style="list-style-type: none"> substantively influences the assessments and decisions of stakeholders. 	Vertical
<ul style="list-style-type: none"> a reporting organization's significant economic, environmental and social impacts; topics that are reasonably likely to have material impacts on the financial condition or operating performance of the company. 	Horizontal

Already performed in the project

To be developed in the workshop

Prioritized Focus Areas



	OPINION OF STKHS'	SIGNIFICANCE OF IMPACTS						SIGNIFICANCE
		FROM ATALAYA MINING Plc			ON ATALAYA MINING Plc			
		People	Environment	Economy	Assets/Financial performance	Reputation	Liabilities	
Environmental responsibility throughout the mine's life cycle		<ul style="list-style-type: none">• Healthy environment	<ul style="list-style-type: none">• Emissions/Water/ Bodiversity/ Landscape• Pollution after closure	<ul style="list-style-type: none">• Economic activities based on natural resources• Impact on insurance companies	<ul style="list-style-type: none">• Provisions• Stoppages• EU taxonomy• Critical for investors• Insurers	<ul style="list-style-type: none">• High/Very High	<ul style="list-style-type: none">• Cost of remediation• Non-compliance and penalties.	
Circular economy and efficient resource management		<ul style="list-style-type: none">• New Jobs in projects regarding circular economy	<ul style="list-style-type: none">• Sustainable management of resources	<ul style="list-style-type: none">• New raw materials for other activities	<ul style="list-style-type: none">• Cost optimization• Efficiency• New resources• Loss of opportunities	<ul style="list-style-type: none">• Moderate (favoured by law)	<ul style="list-style-type: none">• Non-compliance and penalties.	
Risks and opportunities related to climate change and energy transition.			<ul style="list-style-type: none">• Carbon emissions	<ul style="list-style-type: none">• New employment	<ul style="list-style-type: none">• Taxes / Energy prices• Efficiency• Loss of opportunities• Critical for investors	<ul style="list-style-type: none">• Moderate (Good cause/bad cause)	<ul style="list-style-type: none">• Non compliance with future regulations and public policies	
Process safety management		<ul style="list-style-type: none">• Safety of people and livelihoods	<ul style="list-style-type: none">• Biodiversity• Landscapes• Natural resources	<ul style="list-style-type: none">• Disruption of economic activities	<ul style="list-style-type: none">• Stoppages• Closure• Critical for investors	<ul style="list-style-type: none">• Critical	<ul style="list-style-type: none">• Non-compliance and penalties.	
Occupational Health and safety (OHS)		<ul style="list-style-type: none">• Employees and families		<ul style="list-style-type: none">• Benchmark for other industries in the area	<ul style="list-style-type: none">• Compensations• Cost of absenteeism• Stoppages• Loss of social licence	<ul style="list-style-type: none">• High	<ul style="list-style-type: none">• Non-compliance and penalties.	
Driver of local development		<ul style="list-style-type: none">• Jobs and human Capital development• Resources for social activities	<ul style="list-style-type: none">• Projects related with energy transition	<ul style="list-style-type: none">• Economic Growth	<ul style="list-style-type: none">• Loss of social licence	<ul style="list-style-type: none">• Critical		
Protection of Heritage and archaeology		<ul style="list-style-type: none">• Protection of culture		<ul style="list-style-type: none">• Economic diversification	<ul style="list-style-type: none">• Stoppages• Loss of social licence	<ul style="list-style-type: none">• High	<ul style="list-style-type: none">• Non-compliance and penalties.	

Relevance to stakeholders Moderate Critical

	OPINION OF STKHS'	SIGNIFICANCE OF IMPACTS						SIGNIFICANCE
		FROM ATALAYA MINING Plc.			ON ATALAYA MINING Plc			
		People	Environment	Economy	Assets/Financial performance	Reputation	Liabilities	
Training and professional development		<ul style="list-style-type: none">Professional developmentBetter retributionBetter place to work	<ul style="list-style-type: none">Better performance of the company	<ul style="list-style-type: none">Economic activity	<ul style="list-style-type: none">EfficiencyBetter talent and retention	<ul style="list-style-type: none">Moderate		
Positive work environment		<ul style="list-style-type: none">MotivationBetter place to work		<ul style="list-style-type: none">Disturbance by strikes/unrest	<ul style="list-style-type: none">Strikes / StoppagesLoss of talentBetter talent and retention	<ul style="list-style-type: none">Moderate	<ul style="list-style-type: none">Non-compliance and penalties.	
Innovation and new technologies		<ul style="list-style-type: none">New job positions	<ul style="list-style-type: none">Opportunities to improve performance	<ul style="list-style-type: none">Local economy diversification	<ul style="list-style-type: none">EfficiencyNew business opportunitiesBetter data	<ul style="list-style-type: none">Low	<ul style="list-style-type: none">Loss of information	
Supply Chain responsibility		<ul style="list-style-type: none">Jobs / Economic Development	<ul style="list-style-type: none">Indirect impacts		<ul style="list-style-type: none">Efficiency, resilience, better performance	<ul style="list-style-type: none">Moderate (increasing in the future)		
Efficient management					<ul style="list-style-type: none">Economic sustainabilityBetter access to capital	<ul style="list-style-type: none">High		
Diversification and future development		<ul style="list-style-type: none">Stability of jobs	<ul style="list-style-type: none">Extension of current management systems.		<ul style="list-style-type: none">Extension of lifetimeGrowth	<ul style="list-style-type: none">High		
Leadership and transparency to ensure ethical behaviour		<ul style="list-style-type: none">Better engagement and social licence			<ul style="list-style-type: none">Long term sustainabilityBetter performance	<ul style="list-style-type: none">High	<ul style="list-style-type: none">Non-compliance and penalties.	

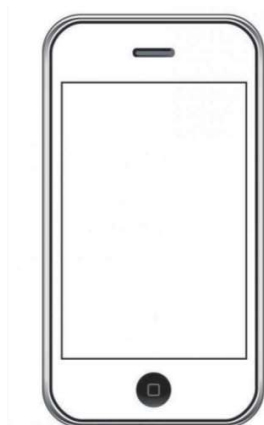
Relevance to stakeholders Moderate Critical

Prioritization

Go to www.menti.com and use the code 46 17 78 1



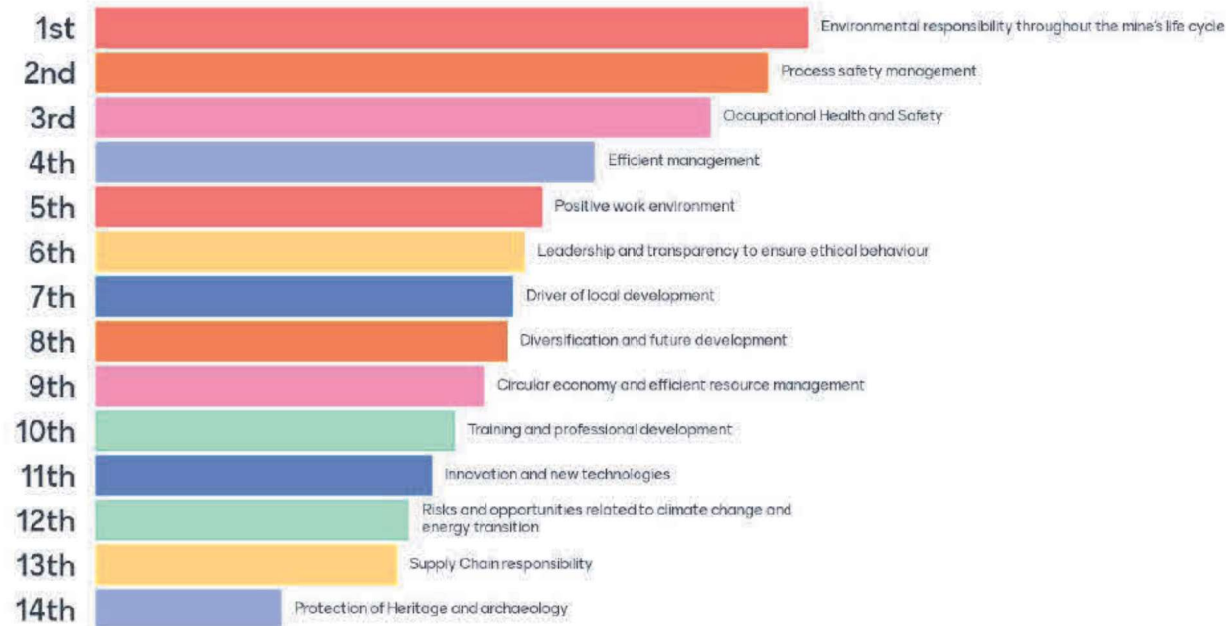
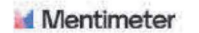
Please rank the aspects (1st Most Significant / 14th Less Significant)



- | | |
|------|---|
| 1st | Driver of local development |
| 2nd | Circular economy and efficient resource management |
| 3rd | Environmental responsibility throughout the mine's life cycle |
| 4th | Leadership and transparency to ensure ethical behaviour |
| 5th | Risks and opportunities related to climate change and energy transition |
| 6th | Efficient management |
| 7th | Process safety management |
| 8th | Innovation and new technologies |
| 9th | Occupational Health and Safety |
| 10th | Positive work environment |
| 11th | Supply Chain responsibility |
| 12th | Training and professional development |
| 13th | Protection of Heritage and archaeology |
| 14th | Diversification and future development |

Prioritization. Results

Please rank the aspects (1st Most Significant / 14th Less Significant)



Materiality matrix

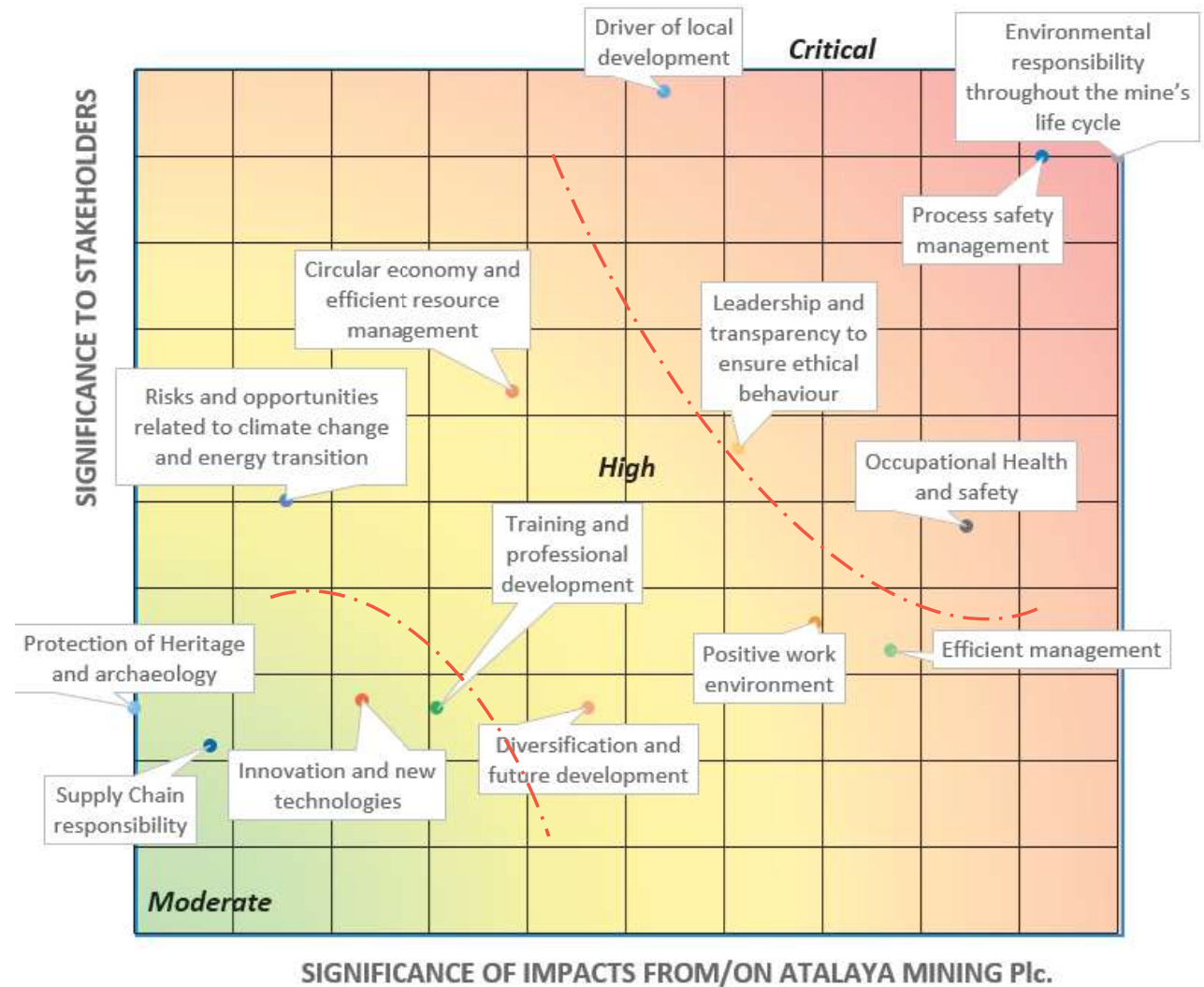
Based on the results of the workshop, the following materiality matrix is proposed for Atalaya Mining Plc.

It prioritizes sustainability aspects and structures them into three main regions (Critical aspects; Highly material aspects and Moderate material aspects).

The matrix has been developed in accordance with the main standards (GRI, SASB).

However, it could be further developed by adding new dimensions:

- Potential financial impact on the company of each aspect (Bubble size).
- Probability of occurrence (Colour of the bubble).





Next Steps

Next Steps

Following the materiality workshop, ERM will prepare a document with the final materiality assessment. This assessment will be validated with the company and will form the basis for the following project milestones (table of contents and development of data collection sheets).

	Jun. 2021	Jul. 2021	Aug. 2021	Sept. 2021	Oct. 2021	Nov. 2021	Dec. 2021	2022
Phase 1. Current State Assessment								
Project Kick-off								
Internal analysis								
Analysis of Atalaya maturity in sustainability disclosure								
Phase 2. Materiality analysis								
Analysis								
Phase 3. Design of the report								
Table of contents								
Development of information collection sheets				(1)				
Phase 4. Draft report								
Elaboration of the draft report (qualitative information)						(2)		
Phase 5. Sustainability leaflet								
Elaboration of the leaflet							(3)	
Page 6. Final Report								
Inclusion of quantitative information and elaboration of the final report								(4)
Translation into Spanish								(4)

(1) Once ERM deliver the information collection sheets, the responsible staff of Atalaya Mining will count with 3-4 weeks to gather all the information and send it back to ERM.

(2) The draft report is expected to be delivered on the 2nd-3rd week of the month.

(3) The leaflet is expected to be delivered on the 2nd-3rd week of the month.

(4) ERM will deliver the final report in English 3 weeks after the quantitative information is provided by Atalaya Mining. Afterwards, the translation into Spanish will need two additional weeks.



Thank you

Marcos Gallego
Senior Partner,
ERM
Madrid, Spain
+34 910762679
marcos.gallego@erm.com

César Muñoz
Partner,
ERM
Madrid, Spain
672313440
cesar.munoz@erm.com

The business of sustainability



Contacts

Atalaya Mining plc

Alberto Lavandeira, CEO

+34 959 59 28 50

info@atalayamining.com

Cesar Sanchez, CFO

+34 959 59 28 50

Cesar.sanchez@atalayamining.com

María Castro, ESG Manager

+34 959 59 28 50

maria.castro@atalayamining.com

