



# TAX TRANSPARENCY AND CONTRIBUTIONS TO GOVERNMENT REPORT

# 2022



FIRST QUANTUM  
MINERALS LTD.



# About this report

First Quantum makes significant contributions to the public finances of the countries in which we operate. We strongly support the various transparency initiatives which provide all stakeholders with clear information of the contributions which First Quantum makes to our host governments. The 2022 *Tax Transparency and Contributions to Government Report* highlights First Quantum’s contributions to our host Governments which helps to illustrate the positive impact we strive to create everywhere we do business.

This report is intended to meet Canada’s *Extractive Sector Transparency Measures Act* (“**ESTMA**”) reporting obligations as well as Chapter 10 of the *EU Accounting Directive* as noted in Appendix A of this report. All amounts in this report are expressed in U.S. dollars unless otherwise noted.



# First Quantum at a glance – 2022

COBRE PANAMÁ Colón Province, Panama	
Ownership	90%
Primary	Copper
Secondary	Gold, molybdenum, silver
2022 Production	Copper 350kt, Gold 140koz

775 859 tonnes  
2022 Copper Production

21 529 tonnes  
2022 Nickel Production

Principal products  
Copper, Nickel  
and Gold

Sales revenues  
\$7 626 million

Workforce  
19 809 Employees  
8 404 Contractors

LAS CRUCES Sevilla Province, Spain	
Ownership	100%
Primary	Copper
2022 Production	Copper 10kt

LAS CRUCES  
UNDERGROUND  
Sevilla Province, Spain

PYHÄSALMI Pyhäjärvi, Finland	
Ownership	100%
Primary	Copper (underground closed in 2022)
Secondary	Pyrite, Zinc
2022 Production	Copper 2kt

ÇAYELI Rize Province, Turkey	
Ownership	100%
Primary	Copper
Secondary	Zinc
2022 Production	Copper 11kt

KANSANSHI North-Western Province, Zambia	
Ownership	80%
Primary	Copper
Secondary	Gold
2022 Production	Copper 146kt, Gold 110koz

RAVENSTHORPE Western Australia, Australia	
Ownership	70%
Primary	Nickel
Secondary	Cobalt
2022 Production	Nickel 22kt

GUELB MOGHREIN Akjoujt, Mauritania	
Ownership	100%
Primary	Copper
Secondary	Gold
2022 Production	Copper 13kt, Gold 31koz

SENTINEL North-Western Province, Zambia	
Ownership	100%
Primary	Copper
2022 Production	Copper 242kt

The above reporting boundary relates to 2022. First Quantum's partnership with Rio Tinto on the La Granja copper project in Peru was announced in 2023, and therefore is not included in this report.



# Message from our Chief Financial Officer

Responsible growth is a core value to First Quantum. As the Company grows, we expect greater economic contributions to our host governments. In 2022, the Company contributed \$1,729 million to governments.



Ryan MacWilliam  
Chief Financial Officer

We are proud to release this report which outlines the important contributions that First Quantum makes to the countries where we operate. The report has been prepared in accordance with Canada's *Extractive Sector Transparency Measures Act* ("**ESTMA**") and Chapter 10 of the *EU Accounting Directive*, and is intended to provide transparency in relation to First Quantum's tax and economic contributions.

## Our commitment to tax transparency

At First Quantum, we are committed to tax transparency and publishing details on the significant economic contributions we make to governments. Transparency in respect of our financial practices is vital for building trust and fostering sustainable partnerships with our stakeholders. As part of our commitment to transparency, we have included on pages 6-7 of this report First Quantum's Tax Policy which details our approach to tax. We firmly believe that this commitment to tax transparency will not only benefit our stakeholders but also contribute to the long-term success and sustainability of our business.

## Our commitment to responsible growth

First Quantum has experienced remarkable growth over the last two decades, driven by our focus on operational excellence, and responsible resource development. The Company is well positioned with its diverse portfolio of copper and nickel mines and strong pipeline of growth projects. Copper and nickel are critical metals for the transition to a greener and more sustainable global economy. As we expand our operations and increase production capacity, we create new job opportunities, stimulate local businesses through procurement, and generate substantial government revenues through taxes and royalties.

Our growth not only contributes to the economic prosperity of the countries where we operate, but also supports sustainable development initiatives. Through partnerships with local communities, we invest in education and skills development programs, infrastructure improvements, healthcare facilities, and social welfare initiatives. By aligning our growth with the needs and aspirations of the communities, we strive to create lasting positive impacts that extend beyond the boundaries of our operations.

In respect of our operations and projects, First Quantum produced 776 thousand tonnes of copper in 2022 with record production recorded at Cobre Panama and Sentinel. The Enterprise nickel project in Zambia received Board approval in May 2022, with nickel production expected to commence in the first half of 2023. The Kansanshi S3 Expansion project in Zambia received Board approval in May 2022 for a capital expenditure of \$1.25 billion over 4 years and will transition Kansanshi to a much larger mining operation and extend its mine life by another two decades.

## Our growing economic contributions to governments

On pages 8-10 of this report, total direct contributions to governments in 2022 amounts to \$1,729 million, an increase of 11% on 2021. In 2022, our contributions under ESTMA reporting amounted to \$1,133 million, an increase of 23% when compared to 2021. Notably, in the key countries where we operate, we are one of the largest corporate taxpayers. In addition to the \$1,133 million ESTMA reportable payments, we also report payments in respect

**I am proud to announce the agreement of the draft concession contract with the Government of Panamá, a new partnership with Rio Tinto in Peru and the commissioning of the Enterprise nickel project in Zambia.**

of consumption and import taxes, payroll taxes, withholding taxes, CSR and infrastructure that are outside the scope of ESTMA reporting. Our cumulative global economic contributions to governments for the past 7 years (2016-2022) is \$7,617 million.

In March 2023, the Company and the Government of Panama agreed and finalized a refreshed concession contract, which meets the government's objectives. Starting in 2023 the Company will make an annual minimum contribution of \$375 million of taxes and royalties to the Government of Panama subject to agreed protections, in addition to a \$395 million payment to cover taxes and royalties up to 2022. This new agreement will significantly increase Cobre Panama's fiscal contribution to Panama.

## Our commitment to local communities

Our economic contribution to governments goes beyond our tax payments. First Quantum creates jobs, fosters local procurement, and supports community development initiatives. I welcome readers to visit our website and read our 2022 ESG Report for more details on these initiatives. On pages 11-13, you will find some examples of the many projects we do to benefit the local communities that goes beyond tax payments.

Our growth is not only beneficial to our shareholders but also to the local communities and government revenues. We are excited about the opportunities that lie ahead, as we continue to expand and make meaningful contributions to the regions where we operate. We remain steadfast in our commitment to tax transparency, economic contribution, and sustainable development as fundamental pillars of our business.

Ryan MacWilliam  
Chief Financial Officer



# About First Quantum

First Quantum Minerals Ltd. (“**First Quantum**” or the “**Company**”) is a global mining company primarily producing copper, with secondary production in nickel, gold and silver. Our principal activities include mineral exploration, mine engineering and construction, and mining operations. First Quantum is committed to extracting resources responsibly and sustainably and is focused on making a long lasting positive impact in the communities in which it operates.

Beginning with the 1996 purchase of a mining licence in Zambia to reprocess tailings from past mining activities, First Quantum has grown to be the world’s 6th largest copper producer. Today, our assets and operations span nine countries across five continents. Our operations are currently located in Zambia, Panama, Australia, Mauritania, Spain, Turkey and Finland. We also have advanced exploration projects in Argentina and Peru.

Mining is no longer simply an extractive industry. First Quantum seeks to contribute in fair and sustainable manner to our host governments and communities as a responsible corporate citizen.



**Corporate Offices**  
Vancouver (Registered office),  
Toronto, London, Perth, Johannesburg

**Ownership**  
Publicly traded company

**Exchange Listings**  
Common Shares  
Toronto Stock Exchange (FM)

# Our Tax Policy

This tax policy sets out the global standards for managing tax activities within First Quantum Minerals Ltd. and its subsidiaries (collectively, “FQM” or the “Group”). It is in line with FQM’s core values of integrity, accountability, respect and fairness, as well as the principles of legality, transparency, certainty and consistency and follows industry norms. This document does not replace other legal or regulatory requirements for control over tax activities.

The tax policy is owned by the Head of Tax, endorsed and supported by local finance managers, approved by the CFO and the Audit Committee of FQM’s Board.

This tax policy is reviewed on an annual basis, or following significant changes to the business, regulations and tax legislation that may have an impact on this policy.

## Our approach to tax governance

- ♦ FQM’s Board has overall responsibility for the Group’s tax affairs and has delegated oversight of tax management to the Audit Committee and Management. The Audit Committee is provided with updates on all significant tax matters at its quarterly meetings. FQM’s Management reviews and approves any decisions which have a material tax impact.
- ♦ Responsibility for tax governance lies with the CFO, with oversight by the Audit Committee. The CFO delegates to the Head of Tax the execution of this tax policy as well as the day-to-day operations of the Group’s tax function.
- ♦ Subject to this oversight, FQM employs tax professionals in its Group Tax team to advise Management on material tax risks.
- ♦ Group Tax operates in partnership with Group Finance, local finance teams and other business units to identify and control tax risks.

## Our approach to tax risk management

- ♦ At FQM, we value certainty and compliance in our tax affairs and seek to minimize the financial and reputational risk associated with our tax affairs.

- ♦ We do not tolerate tax evasion or tax fraud, nor is the facilitation of tax evasion or tax fraud by any person acting on FQM’s behalf tolerated.
- ♦ We comply with documented risk management procedures to identify and manage risks. Thorough risk assessments are completed before entering into significant transactions. Material risks are reported to the Audit Committee.
- ♦ Where there is significant complexity, uncertainty or insufficient in-house expertise around any issues relating to tax, we will take well-reasoned positions based on available legal authority and administrative positions of tax authorities, engaging external advisers where considered necessary.

## Our attitude towards tax planning

- ♦ At FQM, we recognize that we have a duty to our shareholders to make decisions based on sound commercial considerations, while achieving sustainable growth for the Group. While we do undertake tax planning, our business strategy will always take precedence over our tax strategy, and we do not participate in any tax planning that is considered aggressive, contrived or artificial.
- ♦ We actively consider the implications of tax planning on the Group’s reputation. Our responsible tax planning is based on reasonable interpretations of the law and is aligned with FQM’s business strategy and commitment not to use structures without commercial substance to the Group’s economic activities.
- ♦ FQM will not engage in aggressive tax planning or adopt tax positions which would represent a significant risk of material tax or penalty exposure.

## Our approach to tax transparency and disclosures

- ♦ FQM seeks to ensure full transparency towards all stakeholders without compromising the confidentiality entailed in running its business and ensuring its commercial operations are competitive.
- ♦ We only undertake transactions that we are prepared to fully disclose and that are based on a clear underlying commercial motivation, are aligned with business activity, have genuine substance and which are not – and do not appear to be – artificial or contrived.
- ♦ We fully support and comply with initiatives to improve international transparency on taxation matters, including OECD measures on Country-by-Country reporting and automatic exchange of information, Extractive Sector Transparency Measures Act (“ESTMA”) and Extractive Industries Transparency Initiative (“EITI”).
- ♦ We strongly support the various transparency initiatives which provide all stakeholders with clear information of the contributions which FQM makes to our host governments. This contribution is reported annually in our Tax Transparency and Contributions to Government Report.

## Our approach to tax compliance and tax payments

- ♦ Taxes are a material cost of FQM’s business. The timely compliance with all tax obligations, the timely payment of all taxes and the accurate provision of tax in FQM’s financial statements are an important part of its obligations to all stakeholders and to the communities in which FQM operates.





## Our Tax Policy continued

- ♦ FQM is committed to complying with tax laws in all countries in which the Group operates. We pay tax on profits aligned with where business activity occurs and where value is created.
- ♦ The tax positions taken in FQM's tax returns are supported by relevant tax law. Where there are differing legal interpretations between FQM and tax authorities, FQM will seek appropriate professional advice.
- ♦ FQM avails itself of tax concession and incentives offered by countries to eligible taxpayers who undertake genuine business activity.
- ♦ Where there is a clear, unambiguous and material error in a filed tax return, FQM will voluntarily disclose the error to the relevant tax authority if the error is discovered before the completion of the relevant tax audit.

## Our approach to transfer pricing and international related party transactions

- ♦ At FQM, we apply the arm's length principal to cross-border transactions and prepare contemporaneous documentation to demonstrate the arm's length nature of our intercompany transactions, in line with OECD guidelines. Our contemporaneous documentation is made available to tax authorities upon request.

- ♦ We seek to implement arrangements where transfer pricing outcomes are consistent with value creation. Our transfer prices are benchmarked taking into account the functions performed, assets used and risks assumed in the various jurisdictions.

## Our relationships with tax authorities

- ♦ FQM is committed to the principles of integrity, transparency, collaboration and mutual trust in its dealings with tax authorities around the world.
- ♦ We seek to build and maintain our relationships with governments and revenue authorities in an honest, respectful and constructive way.
- ♦ Where appropriate, we work with tax authorities to obtain rulings or guidance on future tax risks and the interpretation of tax law.
- ♦ FQM seeks to resolve tax disputes through active and transparent discussion and negotiation and by disclosing all relevant facts and circumstances. Where ultimately we do not agree with a tax authority's position, we will defend our position, including appealing tax decisions through the appropriate prescribed channels in each country.





# Our global economic contributions – 2022

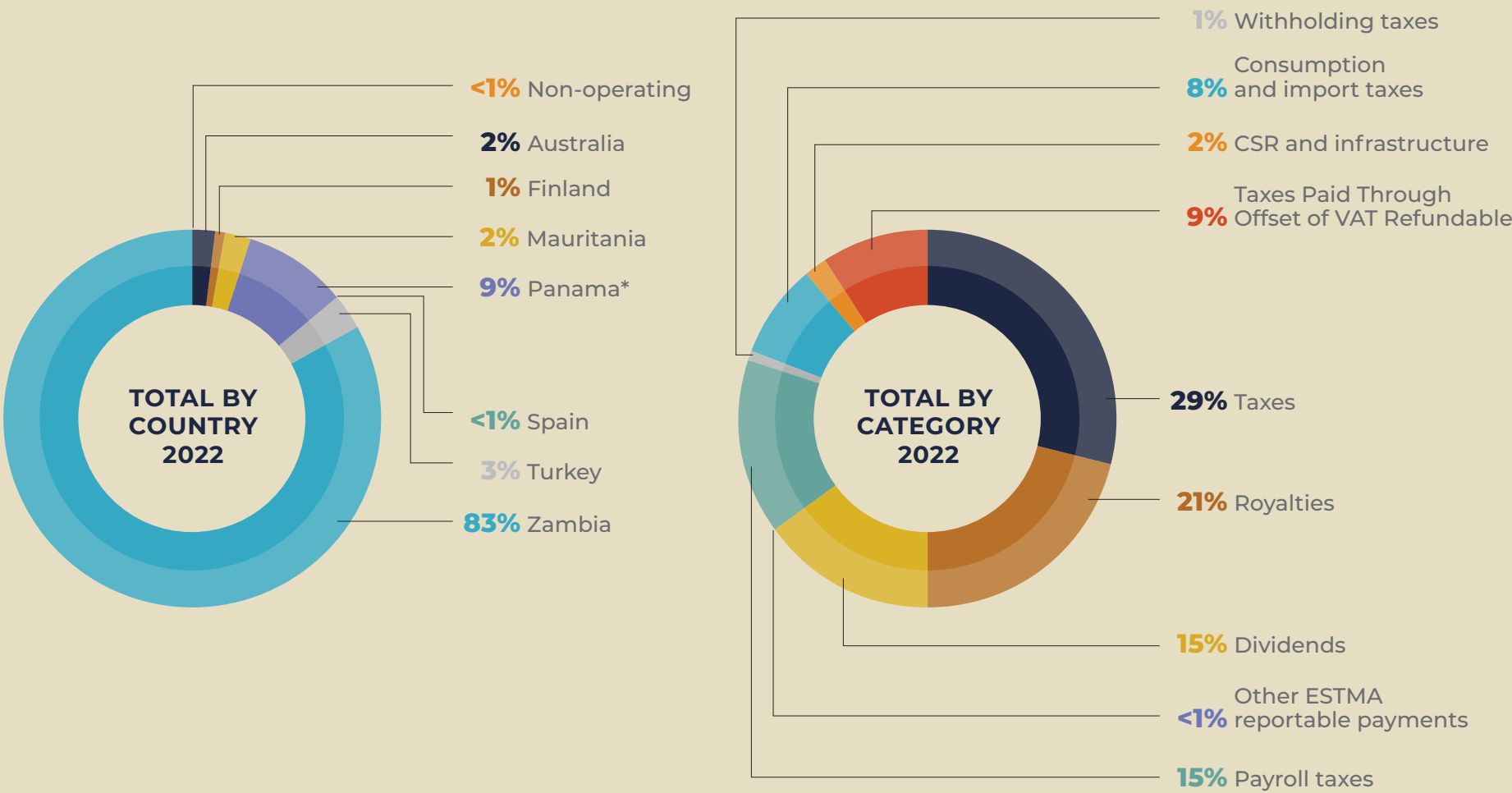
\$1.73bn



\* Once the draft concession contract with the Government of Panamá is approved, First Quantum will pay a further \$395 million in 2023 to cover taxes and royalties up to 2022.



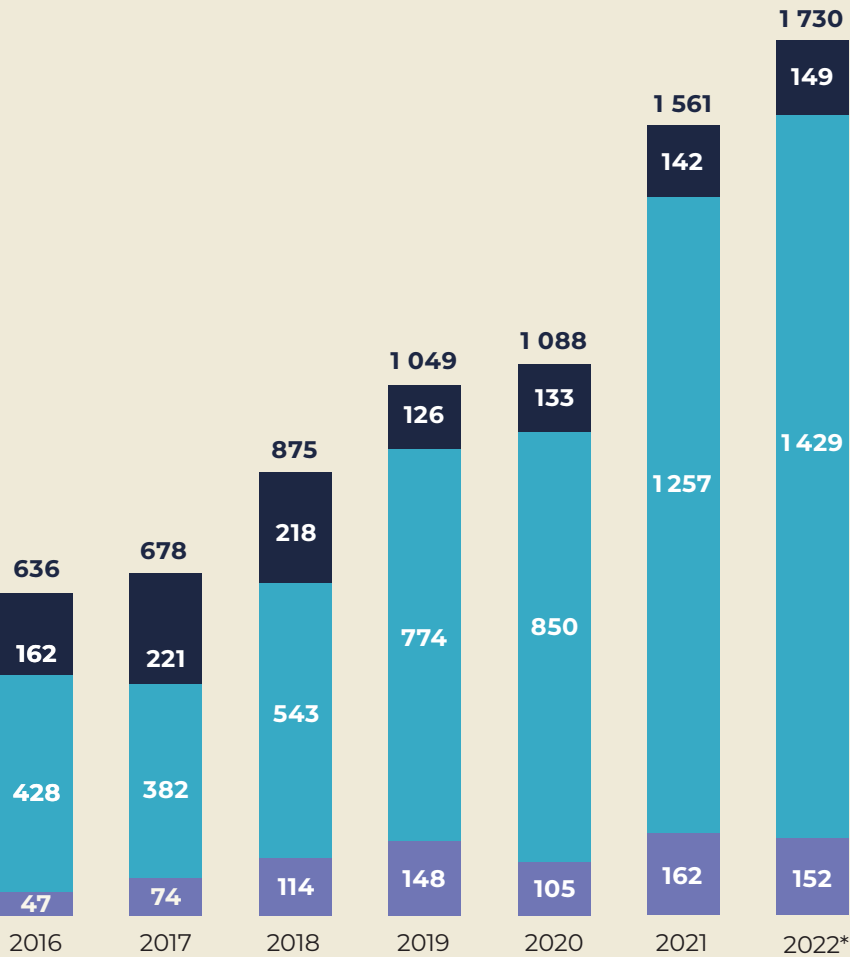
# Our global economic contributions – 2022



# Our global economic contributions from 2016 to 2022

Our cumulative global economic contributions to governments for the past 7 years (2016-2022) is \$7,617 million.

CONTRIBUTIONS TO GOVERNMENT 2016-2022 (IN USD MILLIONS)



\* Once the draft concession contract with the Government of Panamá is approved, First Quantum will pay a further \$395 million in 2023 to cover taxes and royalties up to 2022.

● Panama\* ● Zambia ● Other



# 2022 Tax Transparency and Contributions to Government Report

Country	Project Name	Taxes	Royalties	Dividends	Other ESTMA Reportable Payments	Total ESTMA Payments <sup>1</sup>	Payroll Taxes <sup>2</sup>	Withholding Taxes	Consumption and Import Taxes <sup>3</sup>	CSR and Infrastructure <sup>4</sup>	Taxes Paid Through Offset of VAT Refundable <sup>5</sup>	Total Contribution
Argentina	Taca Taca	373 213	–	–	158 729	531 942	292 866	31 495	440 959	–	–	1 297 262
Australia	Ravensthorpe	1 448 917	12 245 272	–	907 279	14 601 468	16 347 266	3 419 582	–	134 608	–	34 502 924
Chile	Various early stage exploration	62 926	–	–	–	62 926	175 277	–	–	–	–	238 203
Finland	Pyhäsalmi	4 155 393	–	–	–	4 155 393	2 300 382	–	5 735 982	46 453	–	12 238 210
Mauritania	Guelb Moghrein	20 865 411	5 841 305	–	–	26 706 716	8 646 073	–	3 668 474	879 595	–	39 900 858
Panama <sup>6</sup>	Cobre Panamá	–	16 764 362	–	3 257 284	20 021 646	119 177 389	312 059	172 005	12 414 760	–	152 097 859
Peru	Haquira	–	–	–	966 042	966 042	429 315	7 957	573 578	80 899	–	2 057 791
Spain	Las Cruces	407 936	–	–	426 992	834 928	5 513 669	90 082	–	26 116	–	6 464 795
Turkey	Çayeli	36 849 323	3 872 419	–	–	40 721 742	5 353 671	86 079	38 932	114 643	5 631 361	51 946 428
Zambia	FQMO	4 854 385	–	–	409 858	5 264 243	27 674 414	1 071 361	35 877 694	–	8 274 287	78 161 999
Zambia	Kansanshi	281 744 888	140 787 621	254 600 000	31 096	677 163 605	35 491 457	2 682 419	34 604 994	8 792 740	106 353 274	865 088 489
Zambia	Sentinel	155 680 866	185 895 648	–	169 988	341 746 502	37 715 624	8 615 623	53 965 681	5 509 285	38 082 252	485 634 967
Total		506 443 258	365 406 627	254 600 000	6 327 268	1 132 777 153	259 117 403	16 316 657	135 078 299	27 999 099	158 341 174	1 729 629 785

1 Relates to payments reportable under ESTMA.

2 Includes employer and employee burden.

3 This figure only includes VAT that is non-refundable and import taxes, except for Zambia where the amount also includes \$71.9m refundable VAT remitted in 2022 and pending repayment. The Company's Zambian operations have continued to accrue VAT receivable amounts with minimal cash refunds received or offsets to other tax liabilities approved. The inclusion of the 2022 VAT in Zambia reflects the risk that VAT repayments owed to the Company have been significantly delayed.

4 This figure includes CSR directly to communities and infrastructure improvement payments where the primary user is the Company.

5 Taxes are reported net of credits, offsets or refunds. The taxes (including corporate income taxes, payroll taxes, VAT, withholding taxes and customs) and royalties paid by way of offsetting VAT refunds owing to the Company are presented separately to illustrate non-cash contributions. The offsets received in relation to the Company's Zambian operations relate to VAT refunds outstanding from prior years.

6 Once the draft concession contract with the Government of Panamá is approved, First Quantum will pay a further \$395 million in 2023 to cover taxes and royalties up to 2022.



# Our community development

## At First Quantum we are proud of our mining’s contribution to society

Each of our sites has a community social and economic development plan which is aligned with the UN SDGs and the national development strategies for host countries. Plans are made according to legal requirements, community needs and business opportunity and risk. We are continually refining our social investment strategy to best address community needs in the following areas:



Community needs



Local business



Local workforce development



Infrastructure development

Through partnerships with government and civil society, we seek to ensure that the benefits of mining extend beyond the life of our operating sites, so that we leave a positive impact on the national environment, climate change and social capital.

### Our performance

First Quantum’s corporate social performance strategy seeks to ensure that the positive economic impacts of mining are realized and to assist in improving the quality of life for those people and communities which surround our operations.



Support host communities and governments



Develop human and economic capital by providing jobs and skills training



Tackle social challenges



Promote local procurement



Collaborate on solutions that enhance growth and prosperity



Build physical infrastructure and institutional capabilities thereby helping to create more resilient communities.

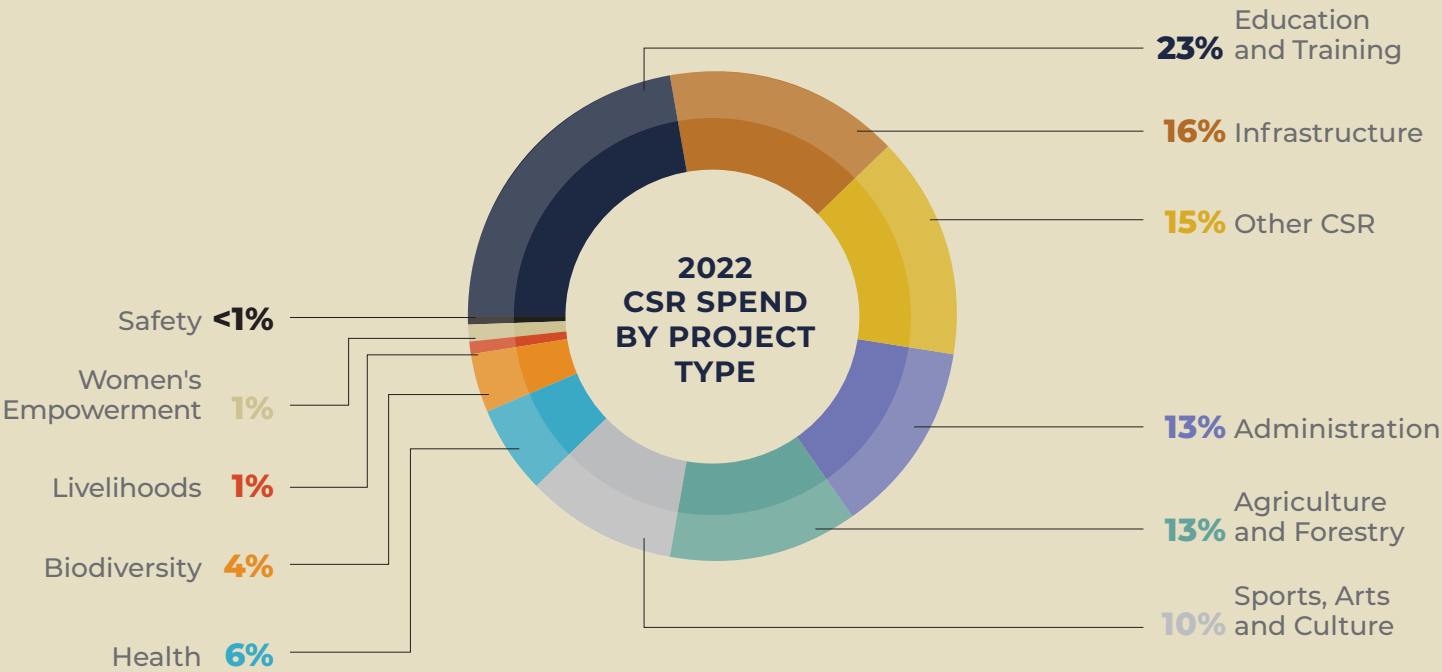
ANNUAL CSR SPEND 2020-2022 (USD)



0  
Human rights violations

\$28 million  
First Quantum invests in range of community programs in the regions around our operating sites.

1.73 billion  
Direct economic contribution in 2022 to governments in our host countries (royalties, taxes)





# Our community development – Zambia

**JIMUKA! Program**



**3 500+ girls**

across 28 schools in Solwezi District of North-Western Province have been part of the Jimuka ('Be Clever') programme since inception

**552 girls**

across 7 schools and 3 institutions (2022)

The Jimuka has reached girls in and out of school through workshops and donating hygiene packages. The program also arranges motivational talks by successful female professionals and entrepreneurs, who serve as role models for young girls while emphasizing the value of education.

**Educating and developing girls for empowerment**



FQM Trident Limited has launched an initiative to empower girls. The initiative known as Educating and Developing Girls for Empowerment (EDGE) launched in 2022 s aimed at complementing efforts to protect and promote the interests of the less privileged girls in the community.

**269 girls**

being supported under the EDGE program

**19 girls**

being trained in Nursing at Solwezi Nursing School

**1 000 sanitary packs**

provided at Jiundu Secondary School in 2022

**Conservation Farming**



**10 000 tonnes**

of maize harvested in 2022

Since 2010, the conservation farming program has trained numerous people in low-input-cost, high-yield sustainable farming techniques. Over the course of the last three years harvest crops have increased from 6 000 (2020) to 9 000 (2021) and 10 000 (2022). Currently 7 000 farmers participate in the program.

**School Feeding Program**



**6 000 pupils**

helped through the school feeding program

In our quest to ensure that children in the district attend school and have an assured nutritious meal at least once a day, we selected 12 primary schools in poorer communities where we feed over 6 000 pupils a day with a locally made porridge.

**School on Radio Program**



**42 000 pupils**

reached

The School on Radio Program was started during the peak of COVID-19 as a response to ensure that learning continued while schools were closed. The Kansanshi sponsored School on Radio Program (SoRP) reached over 42 000 pupils through radio Kabangabanga and Solwezi radio in 2022.





# Our community development – Panama

## Sustainable job creation



The economic development efforts at Cobre Panamá are focused on sustainable job creation which led to the formation of 7 new duly registered cooperatives. The cooperatives service not only the mine but local markets as well other global firms.

Whilst some of these cooperative are still in the pilot phase with training, planning and development taking place over the course of 2022. Other cooperatives have become maturing producers of environmentally sustainable products.

### CAFÉ LA CEIBA

19

families part of Cooperative

\$125k

in sales for 2022

475

kilograms exported to Costa Rica and Israel

### ASSOCIATION OF SMALL FARMERS OF DONOSO AND LA PINTADA

37

families part of Cooperative

\$3m

in sales for 2022

850+

kilotonnes of produce sold

### CSDS TILAPIA FARMS

23

families part of Cooperative

\$18k

in sales for 2022

~100

kilograms sold per a week

## In vitro culture laboratory



**+\$550k** invested

Cobre Panamá inaugurated the first in vitro culture laboratory for species of interest (SOI) where the micropropagation technique will be used to ensure their conservation. The facility will allow the conservation of SOI as well as the conservation of healthy and virus-free plants.

## Training Centre for Industrial Professions



**30% female students**  
enrolled to date

**\$5.3 million**  
invested into the training centre

The Training Centre for Industrial Professions in La Pintada province offers free technical education to people aged between 18 and 35 years. Functioning as a formal educational entity for the industrial and mining sector, all certificates are endorsed by the National Institute of Education and Training for Human Development (INADEH).

Other investment in community infrastructure include:



**700 people**  
impacted by the improvements to the Nueva Lucha Rural Road Trail

7

community bridges maintained

7

community schools renovated

7

community computer rooms received infrastructure upgrades

5

communities were beneficiaries of improvements potable water supply





# Extractive Sector Transparency Measures Act

## Annual Report

Reporting Entity Name	First Quantum Minerals Ltd.					
Reporting Year	From	1/1/2022	To	12/31/2022	Date Submitted	5/30/2023
Reporting Entity ESTMA Identification Number	E332692		Original Submission <input checked="" type="checkbox"/>		Amended Report <input type="checkbox"/>	
Other Subsidiaries Included (optional field)	FQM Australia Nickel Pty Ltd., First Quantum Mining & Operations Limited, FQM Trident Limited, Kansanshi Mining Plc, Mauritanian Copper Mines S.A., Pyhäsalmi Mine Oy, Çayeli Bakir Isletmeleri A.S., Cobre Las Cruces S.A., Minera Panama S.A., Minera Antares Peru S.A.C., Corriente Argentina S.A., FQM Exploration (Chile) S.A.					
Not Consolidated						
Not Substituted						
Attestation by Reporting Entity						
In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.						
Full Name of Director or Officer of Reporting Entity	Ryan MacWilliam		Date	5/30/2023		
Position Title	Chief Financial Officer					



# Extractive Sector Transparency Measures Act Annual Report

Reporting Year	From	1/1/2022	To	12/31/2022	
Reporting Entity Name	First Quantum Minerals Ltd.		Currency of the Report		USD
Reporting Entity ESTMA Identification Number	E332692				
Subsidiary Reporting Entities (if necessary)					

## PAYMENTS BY PAYEE

Country	Payee Name <sup>1</sup>	Departments, Agency, etc... within Payee that Received Payments <sup>2</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>3,4</sup>
Argentina	Government of Argentina	Federal Administration of Public Income	373 213	–	–	–	–	–	–	373 213	
Argentina	Municipality of Tolar Grande		–	–	158 729	–	–	–	–	158 729	
Australia	Shire of Ravensthorpe		556 856	–	–	–	–	–	–	556 856	
Australia	State of Western Australia	Department of Mines, Industry Regulation & Safety	751 040	11 458 636	287 002	–	–	–	–	12 496 678	
Australia	State of Western Australia	Department of Environment Regulation	–	–	98 103	–	–	–	–	98 103	
Australia	State of Western Australia	Department of Finance	141 021	–	–	–	–	–	–	141 021	
Australia	State of Western Australia	Department of Transport	–	–	49 474	–	–	–	–	49 474	



Extractive Sector Transparency Measures Act  
Annual Report continued

PAYMENTS BY PAYEE

Country	Payee Name¹	Departments, Agency, etc... within Payee that Received Payments²	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes³⁴
Australia	South West Aboriginal Land and Sea Council		–	–	–	–	472 701	–	–	472 701	
Australia	Equity Trustees Wealth Services Limited		–	786 636	–	–	–	–	–	786 636	
Chile	Government of Chile	General Treasury of the Republic	62 926	–	–	–	–	–	–	62 926	
Finland	Government of Finland	Finnish Tax Administration	4 155 393	–	–	–	–	–	–	4 155 393	
Mauritania	Government of Mauritania	Ministry of Finance	20 865 411	–	–	–	–	–	–	20 865 411	
Mauritania	Government of Mauritania	Ministry of Mines, Energy, and Petroleum	–	5 841 305	–	–	–	–	–	5 841 305	
Panama	Government of Panama	National Treasury	–	14 249 708	167 270	–	–	–	–	14 416 978	For the royalties category, despite the Company's effort to pay, the Government of Panama has not accepted the Company's payment for the last three quarters until a new concession agreement is enacted into law.
Panama	Government of Panama	Maritime Authority	–	–	490 384	–	–	–	–	490 384	
Panama	Government of Panama	Environmental Ministry	–	–	2 186 483	–	–	–	–	2 186 483	
Panama	Government of Panama	Public Services Authority	–	–	36 677	–	–	–	–	36 677	
Panama	Municipality of Donoso		–	1 257 327	191 212	–	–	–	–	1 448 539	
Panama	Municipality of Omar Torrijos Herrera		–	1 257 327	185 257	–	–	–	–	1 442 584	

Extractive Sector Transparency Measures Act  
Annual Report continued

PAYMENTS BY PAYEE

Country	Payee Name <sup>1</sup>	Departments, Agency, etc... within Payee that Received Payments <sup>2</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>3,4</sup>
Peru	Government of Peru	Mining and Metallurgical Geological Institute	–	–	887 789	–	–	–	–	887 789	
Peru	Huanacopampa Community		–	–	78 253	–	–	–	–	78 253	
Spain	Gerena Town Hall		407 936	–	–	–	–	–	–	407 936	
Spain	Guillena Town Hall		–	–	–	–	87 269	–	–	87 269	
Spain	Andalusian Regional Government		–	–	102 621	–	–	–	–	102 621	
Spain	La Algaba Town Hall		–	–	–	–	237 102	–	–	237 102	
Turkey	Eti Maden İşletmeleri Genel Müdürlüğü		–	3 872 419	–	–	–	–	–	3 872 419	Eti Maden İşletmeleri Genel Müdürlüğü is a Turkish majority state owned company.
Turkey	Government of Turkey	Turkish Revenue Agency/ Ministry of Finance	34 340 970	–	–	–	–	–	–	34 340 970	For the taxes category, \$39 972 332 were paid to the Turkish Revenue Agency, of which \$5 631 361 was paid through offset of VAT refundable, and \$34 340 970 was paid in cash.
Turkey	Madenli Municipality		147 524	–	–	–	–	–	–	147 524	
Turkey	Rize Province		2 360 829	–	–	–	–	–	–	2 360 829	
Zambia	Government of Zambia	Zambia Revenue Authority	438 349 549	326 683 269	–	–	–	–	–	765 032 818	For the taxes category, \$453 156 859 were paid to the Zambia Revenue Authority, of which \$14 807 309 was paid through offset of VAT refundable, and \$438 349 549 was paid in cash. For the royalties category, \$341 426 878 were paid to the Zambia Revenue Authority, of which \$14 743 608 was paid through offset of VAT refundable, and \$326 683 269 was paid in cash.



Extractive Sector Transparency Measures Act  
Annual Report continued

PAYMENTS BY PAYEE

Country	Payee Name <sup>1</sup>	Departments, Agency, etc... within Payee that Received Payments <sup>2</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>3,4</sup>
Zambia	Government of Zambia	Ministry of Mines and Mineral Development	–	–	89 815	–	–	–	–	89 815	
Zambia	Government of Zambia	Ministry of Lands and Natural Resources	–	–	427 841	–	–	–	–	427 841	
Zambia	Government of Zambia	ZCCM Investments Holdings Plc	–	–	–	–	–	254 600 000	–	254 600 000	ZCCM Investments Holdings Plc is a company majority owned by the Republic of Zambia.
Zambia	Government of Zambia	Mines Safety Department	–	–	13 113	–	–	–	–	13 113	
Zambia	Government of Zambia	Zambia Environmental Management Agency	–	–	38 989	–	–	–	–	38 989	
Zambia	Government of Zambia	Water Resources Management Authority	109 676	–	–	–	–	–	–	109 676	
Zambia	Government of Zambia	Radiation Protection Authority	–	–	41 184	–	–	–	–	41 184	
Zambia	Solwezi Municipal Government		3 820 914	–	–	–	–	–	–	3 820 914	
Total			506 443 258	365 406 627	5 530 196	–	797 072	254 600 000	–	1 132 777 153	

Additional Notes

1. Above numbers are reported in USD. When a payment is made in a foreign currency by a subsidiary which uses USD as its accounting functional currency, the payment is generally reported using the exchange rate existing at the time the payment is made. For those subsidiaries whose accounting functional currency is their local currency, payments reported have been translated to USD using the yearly average exchange rates which are as follows:

Currency	USD
Argentine peso	130.6860
Chilean peso	873.7850
Euro	0.9494

2. The Company reported all payments in excess of USD \$73 833 (CAD \$100 000/1.3544 year-end exchange rate) per payee per category.

3. Infrastructure improvement payments include in-kind contributions. The method for calculating the value of the payments is at cost.

<sup>1</sup> Enter the proper name of the Payee receiving the money (i.e. the municipality of x, the province of y, national government of z).

<sup>2</sup> Optional field.

<sup>3</sup> When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

<sup>4</sup> Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the Additional notes row or the Notes column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.

# Extractive Sector Transparency Measures Act Annual Report

Reporting Year	From	1/1/2022	To	12/31/2022	
Reporting Entity Name	First Quantum Minerals Ltd.		Currency of the Report		USD
Reporting Entity ESTMA Identification Number	E332692				
Subsidiary Reporting Entities (if necessary)					

## PAYMENTS BY PROJECT

Country	Project Name <sup>1</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>3,4</sup>
Argentina	Taca Taca	373 213	–	158 729	–	–	–	–	531 942	
Australia	Ravensthorpe	1 448 917	12 245 272	434 578	–	472 701	–	–	14 601 468	
Chile	Various early stage exploration	62 926	–	–	–	–	–	–	62 926	
Finland	Pyhäsalmi	4 155 393	–	–	–	–	–	–	4 155 393	
Mauritania	Guelb Moghrein	20 865 411	5 841 305	–	–	–	–	–	26 706 716	
Panama	Cobre Panama	–	16 764 362	3 257 284	–	–	–	–	20 021 646	For the royalties category, despite the Company's effort to pay, the Government of Panama has not accepted the Company's payment for the last three quarters until a new concession agreement is enacted into law.
Peru	Haquira	–	–	966 042	–	–	–	–	966 042	



Extractive Sector Transparency Measures Act  
Annual Report continued

PAYMENTS BY PROJECT

Country	Project Name <sup>1</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>3,4</sup>
Spain	Las Cruces	407 936	–	102 621	–	324 371	–	–	834 928	
Turkey	Çayeli	36 849 323	3 872 419	–	–	–	–	–	40 721 742	Royalty was paid to Eti Maden İşletmeleri Genel Müdürlüğü, a majority state owned company. For the taxes category, \$42 480 685 were paid in respect of the Çayeli project, of which \$5 631 361 was settled through offset of VAT refundable, and \$36 849 323 was paid in cash.
Zambia	FQMO	4 854 385	–	409 858	–	–	–	–	5 264 243	
Zambia	Kansanshi	281 744 888	140 787 621	31 096	–	–	254 600 000	–	677 163 605	Dividends were paid to ZCCM Investments Holdings Plc, a company majority owned by the Republic of Zambia. For the taxes category, \$284 309 827 were paid in respect of the Kansanshi project, of which \$3 173 767 was paid through offset of VAT refundable, and \$281 136 060 was paid in cash. For the royalties category, \$145 608 195 were paid in respect of the Kansanshi project, of which \$4 820 574 was paid through offset of VAT refundable, and \$140 787 621 was paid in cash.
Zambia	Sentinel	155 680 866	185 895 648	169 988	–	–	–	–	341 746 502	For the taxes category, \$167 314 409 were paid in respect of the Sentinel project, of which \$11 633 542 was paid through offset of VAT refundable, and \$155 680 867 was paid in cash. For the royalties category, \$195 818 682 were paid in respect of the Sentinel project, of which \$9 923 034 was paid through offset of VAT refundable, and \$185 895 648 was paid in cash.
Total		506 443 258	365 406 627	5 530 196	–	797 072	254 600 000	–	1 132 777 153	

Additional Notes

<sup>1</sup> Above numbers are reported in USD. When a payment is made in a foreign currency by a subsidiary which uses USD as its accounting functional currency, the payment is generally reported using the exchange rate existing at the time the payment is made. For those subsidiaries whose accounting functional currency is their local currency, payments reported have been translated to USD using the yearly average exchange rates which are as follows:

Currency	USD
Argentine peso	130.6860
Chilean peso	873.7850
Euro	0.9494

<sup>2</sup> The Company reported all payments in excess of USD \$73 833 (CAD \$100 000/1.3544 year-end exchange rate) per payee per category.

<sup>3</sup> Infrastructure improvement payments include in-kind contributions. The method for calculating the value of the payments is at cost.

<sup>1</sup> Enter the project that the payment is attributed to. Some payments may not be attributable to a specific project, and do not need to be disclosed in the "Payments by Project" table.

<sup>2</sup> When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

<sup>3</sup> Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the "Additional Notes" row or the "Notes" column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.



# Basis of report

This report has been prepared as required by ESTMA and EU Transparency and Accounting Directives with respect to the disclosure of Payments to governments that are reportable under ESTMA, along with voluntary additional reporting of contributions relating to payroll taxes, withholding taxes, consumption taxes and social contributions that are not reportable under ESTMA.

Taxes, royalties and other payments to governments (including aboriginal and indigenous groups) are presented on a cash-paid basis during the reporting period. In-kind payments are converted into monetary value at the date of settlement. The report includes all such payments made in relation to the commercial development (i.e., exploration and/or extraction) of minerals for each of our projects.

First Quantum Minerals Ltd., as the parent company of the Group, is the Reporting Entity for ESTMA purposes. It reports on all Reportable Payments made by itself and by all Entities (which are engaged in the commercial development of minerals) it controls. Unless noted otherwise in the report, the following terms have the meanings noted below:

### Payee

For the purposes of ESTMA, a payee is:

- a) Any government in Canada or in a foreign state;
- b) A body that is established by two or more governments; or

- c) Any trust, board, commission, corporation or body or other authority that is established to exercise or perform, or that exercises or performs, a power, duty or function of a government for a government referred to in paragraph (a) above or a body referred to in paragraph (b) above.

Payees include governments at any level, including national, regional, state, provincial, local or municipal levels. Payees may include non-governmental entities if the benefit bestowed would have otherwise been provided by the government. Payees also include any government-owned or government-controlled entities that exercise or perform a power, duty or function of government.

Aboriginal and Indigenous groups/organizations that exercise or perform the power, duty, or function of a government may also be regarded as a payee under the Act. Payments to foreign and Canadian Aboriginal governments are reported.

For the purpose of this report, the term “government” should be applied broadly to capture the various scenarios referred above.

### Project

A “project” means the operational activities are governed by a single contract, licence, lease, concession or similar legal agreement that forms the basis for a payment liability with a payee. If multiple such agreements are substantially interconnected, they would be considered a single project. “Substantially

interconnected” means forming a set of operationally and geographically integrated contracts, licences, leases or concessions or related agreements with substantially similar terms that are signed with a government and give rise to payment liabilities.

Disclosure threshold – payments to the “same payee” that meet or exceed CAD \$100 000 in one category of payment are disclosed.





# Basis of report

### Taxes

Taxes include corporate income taxes, resource taxes, property taxes, withholding taxes on cross-border dividends, and other levied taxes, excluding consumption and personal income taxes. Corporate income and resource taxes are payments to governments based on income, profits or production under legislated income tax rules in relation to the commercial development of minerals.

### Royalties

Royalties are paid to governments in relation to the rights to extract mining resources.

### Fees

Fees are amounts levied on the initial or ongoing right to use a geographical area for commercial development of minerals. Fees include licence fees, permit fees, entry fees, regulatory charges and other payments for licences and/or concessions. Amounts paid for goods and services in the ordinary course of commercial transactions are excluded.

### Production Entitlements

Production entitlements are a payee’s share of mineral production under a production sharing agreement or similar contractual or legislated arrangement. The Company does not currently pay any production entitlements.

### Bonuses

Bonuses are payments to governments for signing, discovery, production and any other type of bonus paid in relation to commercial development of minerals. The Company reports cash donations and in-kind donations to governments (including aboriginal and indigenous groups) relating to CSR under this category.

### Dividends

Dividends are payments to governments or entities owned by government with an ownership interest in the Company's subsidiaries, excluding payments to governments that are ordinary shareholders of the Company or its subsidiaries. The Company reports dividends to ZCCM Investments Holdings Plc as it is a company majority owned by the Republic of Zambia.

### Infrastructure Improvements

Infrastructure improvements are payments for the construction of infrastructure such as public roads, libraries and hospital facilities, excluding payments made in circumstances where the infrastructure is expected to be primarily used for mine operational purposes.







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