

# TAX TRANSPARENCY AND CONTRIBUTIONS TO GOVERNMENT REPORT

# 2023



FIRST QUANTUM  
MINERALS LTD.



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\$1.6 billion

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# About this report



First Quantum Minerals Ltd. (“**First Quantum**” or the “**Company**”) 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 2023 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 operate.

This report is intended to meet Canada’s Extractive Sector Transparency Measures Act (“**ESTMA**”) reporting obligations as well as Chapter 10 of the European Union (“**EU**”) Accounting Directive as noted in pages 28-29 of this report.

All amounts in this report are expressed in U.S. dollars unless otherwise noted.





# First Quantum at a glance 2023



- Operating sites
- In preservation and safe management
- In care and maintenance
- Development projects
- Closed sites

**LAS CRUCES**  
Sevilla Province, Spain

Ownership	100%
Primary	Copper
2023 Production	Copper 4kt

Ceased production in June 2023.

**PYHÄSALMI**  
Pyhäjärvi, Finland

Ownership	100%
Primary	Copper (underground closed in 2022)
Secondary	Pyrite, Zinc

367kt of Pyrite produced in 2023.

**ÇAYELI**  
Rize Province, Turkey

Ownership	100%
Primary	Copper
Secondary	Zinc
2023 Production	Copper 11kt

**KANSANSHI**  
North-Western Province, Zambia

Ownership	80%
Primary	Copper
Secondary	Gold
2023 Production	Copper 135kt, Gold 69koz

**RAVENSTHORPE**  
Western Australia, Australia

Ownership	75.7%
Primary	Nickel
Secondary	Cobalt
2023 Production	Nickel 22kt

Placed on care and maintenance on May 1, 2024.

**TRIDENT (SENTINEL AND ENTERPRISE\*)**  
North-Western Province, Zambia

Ownership	100%
Primary	Sentinel: Copper Enterprise: Nickel
2023 Production	Copper 214kt, Nickel 5kt

\*In ramp-up

**GUELBOGHREIN**  
Akjoujt, Mauritania

Ownership	100%
Primary	Copper
Secondary	Gold
2023 Production	Copper 13kt, Gold 26koz

**COBRE PANAMÁ**  
Colón Province, Panama

Ownership	90%
Primary	Copper
Secondary	Gold, molybdenum, silver
2023 Production	Copper 331kt, Gold 130koz

Placed on Preservation and Safe Management (P&SM) after production halted in November 2023.

**HAQUIRA**  
Apurímac Region, Peru

**LA GRANJA**  
Querocoto District, Peru

**TACA TACA**  
Salta Province, Argentina

**LAS CRUCES UNDERGROUND**  
Sevilla Province, Spain

**NORBEC**  
Province of Quebec, Canada

**MILLENBACH**  
Province of Quebec, Canada

**LAC SHORT**  
Province of Quebec, Canada

**WINSTON LAKE MINE**  
Province of Ontario, Canada

**STURGEON LAKE**  
Province of Ontario, Canada

**SAMATOSUM**  
Province of British Columbia, Canada

707 678 tonnes

2023 Copper Production

26 252 tonnes

2023 Nickel Production

Principal products

Copper, Nickel  
and Gold

Sales revenues

\$6 456 million

Workforce

16 190 Employees  
8 106 Contractors



# Message from our Chief Financial Officer

**We are pleased to release First Quantum's Tax Transparency and Contributions to Government Report for 2023, showcasing the very significant contributions which we make to the economies and communities in which we operate. We are proud that through these contributions and our broader social and environmental programs, we are able to support sustainable development, socio-economic progress and responsible mining practices in our host countries.**



## Challenges in Panama: Addressing Adversity

In 2023, we faced significant challenges in Panama. After an extensive period of negotiation and public consultation for a new concession contract, Law 406 was passed by legislators and gazetted into law. However, following unrest in the country, the Supreme Court of Panama declared the concession contract law unconstitutional and subsequently the Government of Panama ordered the cessation of operations of Cobre Panamá in December 2023. This development marked a profound setback for our company, having invested more than \$10 billion in building and commissioning a world-class mining operation responsible for over 1.5% of the world's copper supply, 5% of Panama's GDP, and employing more than 2% of the country's formal workforce. Following the Supreme Court of Panama's decision that Law 406 was unconstitutional, we ended the year with Cobre Panamá being placed into Preservation and Safe Management (P&SM).

We remain committed to engaging with stakeholders in Panama to address concerns and outline our sustainable and environmentally sensitive practices as we seek a mutually agreeable resolution. On November 16, 2023, in accordance with its contractual obligations to the Republic of Panama, the Company made a tax and royalty payment of \$567 million in respect of the period from December 2021 to October 2023. This was one of the largest ever tax and royalty payments in the history of the global copper mining sector and was the largest fiscal payment ever made in Panama. The fact that Cobre Panamá was placed into P&SM, despite these significant economic contributions, highlights the critical challenge that we need to tackle as a sector to achieve broader societal support for mining, particularly in those regions where large-scale mining is a recent development.

## Driving Economic Prosperity: Our Contributions to Governments

In 2023, First Quantum continued to play a pivotal role in the economic advancement of the regions where we are present. Our operations generated substantial revenue for governments through taxes, royalties, and

other payments, thereby directly supporting public services and infrastructure development. Moreover, our procurement activities continued to provide avenues for local businesses, further stimulating economic growth and employment opportunities.

Our direct contributions to governments in 2023 amount to \$1.6 billion. In Zambia, our contributions were impacted by lower copper production due to excessive rainfall and challenging mining conditions. Our contributions in Panama increased significantly in 2023 to a total of \$754 million. The contributions that we make to the economies of our host countries continues to be significant and our commitment to transparency and openness remains unwavering.

We continue to work with governments to explore arrangements that align with the governments' fiscal goals. Most notably, in Zambia we issued our 20% partner ZCCM Investments Holdings Plc ("ZCCM-IH"), a company majority owned by the Republic of Zambia, a new revenue-based royalty to replace the previous dividend model – a new approach that further benefits the transparency and predictability of cash flow to the government. ZCCM-IH has now expressed an interest in extending this approach that we jointly developed to some of ZCCM-IH's other partnerships.

## Investing in Communities: Empowering Local Development

One of the highlights of our contributions in 2023 was our sustained investment in community development programs. We recognize the importance of fostering mutually beneficial relationships with the communities in which we operate. Through partnerships in which our communities participate, we invested in education and skills development initiatives, infrastructure enhancements, healthcare facilities, and social welfare programs. By aligning our growth with the needs and aspirations of local communities, we endeavour to build capacity with our communities and create enduring positive impacts that transcend the boundaries of our operations. For further insights into our initiatives, I encourage you to explore our 2023 Environmental, Social and Governance ("ESG") Report available on our website.

## Championing Environmental Protection: Achievements in 2023

In addition to our socio-economic contributions, 2023 marked significant strides in our commitment to environmental protection. We continue to implement various initiatives to mitigate and minimize our ecological footprint, including promoting biodiversity conservation and stringent waste management practices, water conservation efforts, and biodiversity conservation programs. These efforts underscore our dedication to mitigating environmental impacts and promoting sustainable stewardship of natural resources. Please refer to pages 15-19 of this report for more detail on our environmental protection.

## Looking Ahead: Optimism for the Future

As we look ahead, we remain optimistic about the opportunities that lie on the horizon. Our journey of expansion and growth continues, underpinned by our unwavering commitment to responsible mining through tax transparency, economic contribution, environmental protection, and sustainable development. We are deeply grateful for the support of our stakeholders as we strive to make meaningful and lasting contributions to the regions where we operate.

**Ryan MacWilliam**  
Chief Financial Officer



# About First Quantum

**First Quantum is engaged in the production of copper, nickel, gold and silver, and related activities including exploration and development. 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 one of the world's largest copper producers.

The Company has operating mines located in Zambia, Turkey, Australia and Mauritania, and a development project in Zambia. The Company's Cobre Panamá mine was placed into a phase of Preservation and Safe Management ("P&SM") in late 2023 and Ravensthorpe mine was placed on Care and Maintenance on May 1, 2024. The Company is progressing the Taca Taca copper-gold-molybdenum project in Argentina and is exploring La Granja and the Haquira copper deposits in 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 (Ticker: FM)







This tax policy sets out the global standards for managing tax activities within First Quantum 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 Chief Financial Officer (“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.
- ♦ 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

2023: \$1.6 billion

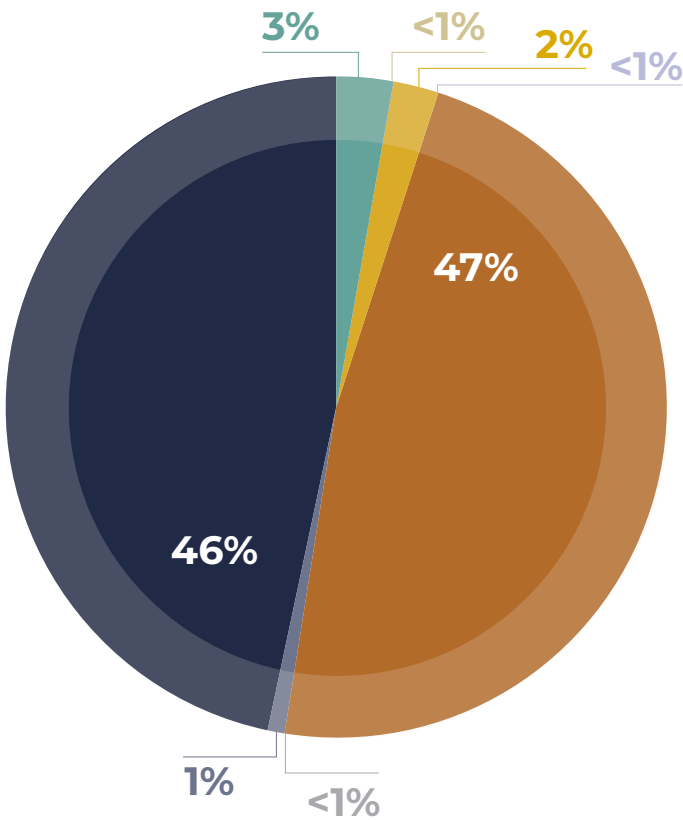




# Our global economic contributions 2023

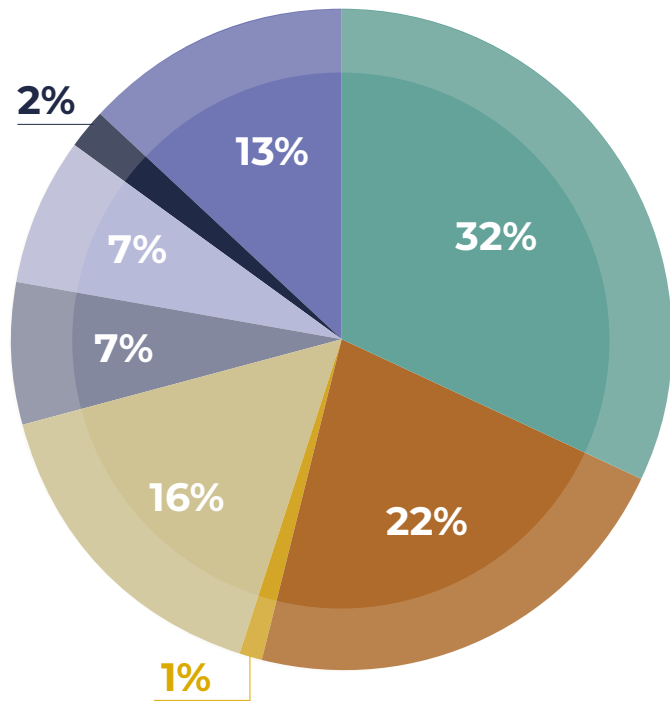


PERCENTAGE BY COUNTRY – 2023



- Panama
- Zambia
- Australia
- Mauritania
- Turkey
- Finland
- Spain
- Non-operating

PERCENTAGE BY CATEGORY – 2023



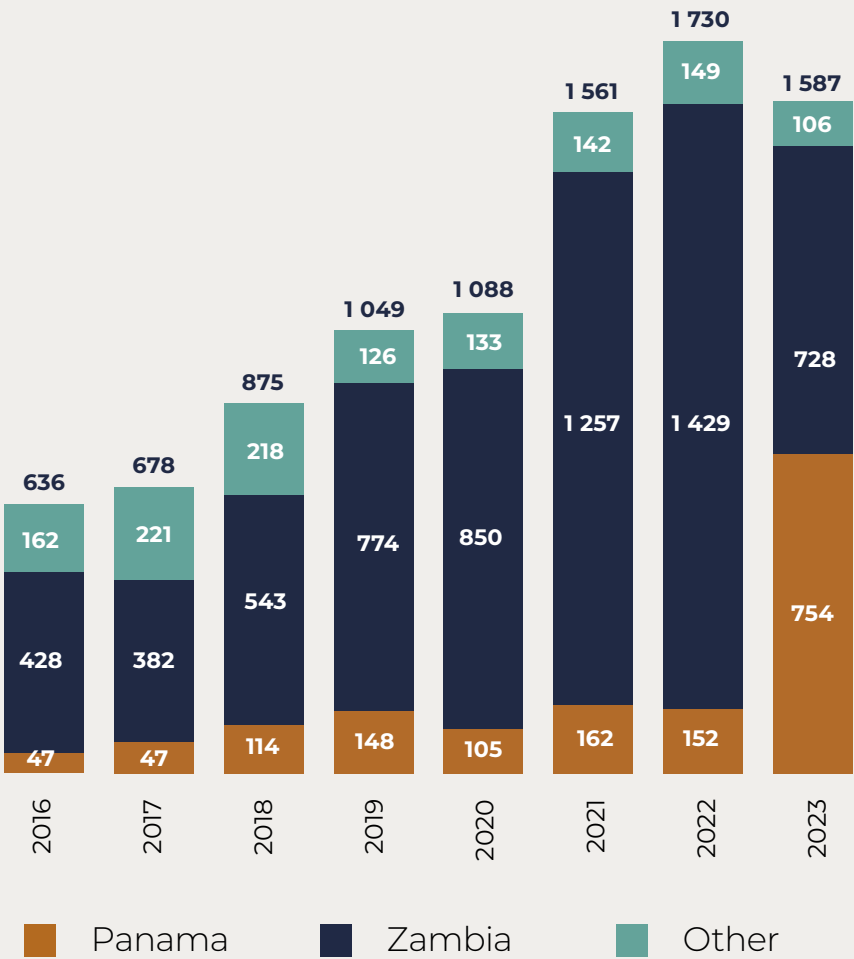
- Taxes
- Royalties
- Other ESTMA payments
- Payroll taxes
- Withholding taxes
- Consumption and import taxes
- Corporate social responsibility (CSR) and infrastructure
- Taxes paid through offset of taxes refundable

# Our global economic contributions from 2016 to 2023

Our cumulative global economic contributions to governments for the past 8 years (2016-2023) is

**\$9.2 billion**

CONTRIBUTIONS TO GOVERNMENTS  
2016-2023 (IN \$ MILLIONS)





Country	Project Name	Taxes	Royalties	Other ESTMA Reportable Payments	Total ESTMA Reportable 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 Taxes Refundable <sup>5</sup>	Total Contribution
Argentina	Taca Taca	270 712	-	160 246	430 957	438 531	892 434	157 146	54 583	-	1 973 651
Australia	Ravensthorpe	1 652 711	16 090 177	410 428	18 153 316	17 604 578	5 002 152	-	168 477	-	40 928 524
Chile	Various early stage exploration	91 323	-	-	91 323	198 797	-	-	-	-	290 120
Finland	Pyhäsalmi	454 821	-	-	454 821	1 934 210	-	-	45 805	-	2 434 836
Mauritania	Guelb Moghrein	1 253 624	5 872 937	-	7 126 560	10 486 598	-	4 250 856	865 486	3 668 474	26 397 976
Panama	Cobre Panama	376 032 580	103 660 979	6 076 790	485 770 349	119 032 953	83 378 184	151 711	13 181 202	52 317 935	753 832 335
Peru	Haquira	-	-	744 912	744 912	327 130	15 409	1 633 230	806 531	-	3 527 212
Peru	La Granja	-	-	-	-	174 087	9 131	393 661	-	-	576 879
Spain	Las Cruces	629 590	-	74 545	704 135	5 304 330	93 195	-	170 837	-	6 272 497
Turkey	Çayeli	6 011 939	4 542 896	326 109	10 880 944	5 897 326	339 939	36 674	239 253	5 984 265	23 378 400
Zambia	FQMO <sup>6</sup>	188 903	-	14 246	203 149	14 421 829	1 089 125	30 570 483	-	781 958	47 066 544
Zambia	Kansanshi	34 529 033	118 759 379	7 398 651	160 687 063	39 986 692	9 656 874	30 487 028	7 609 470	62 813 042	311 240 169
Zambia	Trident <sup>7</sup>	78 071 431	106 843 345	149 029	185 063 805	40 062 893	12 285 072	47 590 893	6 604 895	77 959 143	369 566 700
Total		499 186 665	355 769 714	15 354 955	870 311 334	255 869 956	112 761 515	115 271 684	29 746 539	203 524 817	1 587 485 845

<sup>1</sup> Relates to payments reportable under ESTMA.

<sup>2</sup> Includes employer and employee burden.

<sup>3</sup> This figure only includes VAT that is non-refundable and import taxes, except for Zambia where the amount also includes \$57.4m refundable VAT remitted in 2023 and pending repayment. The Company's Zambian operations have continued to accrue VAT receivable amounts with some cash refunds received or offsets to other tax liabilities approved. The inclusion of the 2023 VAT in Zambia reflects the risk that VAT repayments owed to the Company have been significantly delayed.

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

<sup>5</sup> 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.

<sup>6</sup> FQMO was merged with Kansanshi mid-way through 2023.

<sup>7</sup> Trident includes Sentinel copper mine and Enterprise nickel mine.





# Our approach to responsible mining

**The copper and nickel that we mine is essential for the energy transition as the world looks to decarbonise through increased use of renewable energy, electric vehicles and the electrical grid expansions and reinforcements that will be required to meet global climate change targets.**

**Mining is the supply chain for the energy transition.** This presents an opportunity for responsible mining to drive socioeconomic development in emerging economies. Our mines operate to international standards and are subject to independent oversight while delivering broad benefits to the communities and to the countries in which we operate. The economic contributions that we make through taxes, royalties and social security are significant in the context of the public finances of the countries in which we operate. Our contribution to society extends well beyond the fiscal benefits.

94% national workforce

Training & development opportunities

\$30 million

Investment in collaboration with communities

+1.5 million hectares

National protected areas supported

Material financial support to enable the effective management of protected areas

Third party collaboration

Includes Peregrine Fund, Sea Turtle Conservancy, WWF.

3%

First Quantum's contribution to global copper production

\$3 billion in local and national supply chains

Direct and indirect contribution to local & national economies

\$1.6 billion taxes & royalties

Fiscal contributions

Regular external review

Sites are regularly subject to independent external review of adherence to international standards, which include environmental audits and transparency reporting under ESTMA and EITI in Zambia.





# Our commitment to community development



## At First Quantum, we are proud of our mines' contribution to society

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

**Local workforce development**

**Social infrastructure development**

**Local business**

Through partnerships and participation 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 natural environment, climate change and society.

### Our performance

First Quantum's corporate social performance strategy seeks to ensure that the positive economic impacts of mining are realised 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 through capacity building**

**Collaborate on solutions that enhance growth and prosperity**

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

ACTUAL CSR SPEND 2021-2023 (US\$ MILLION)

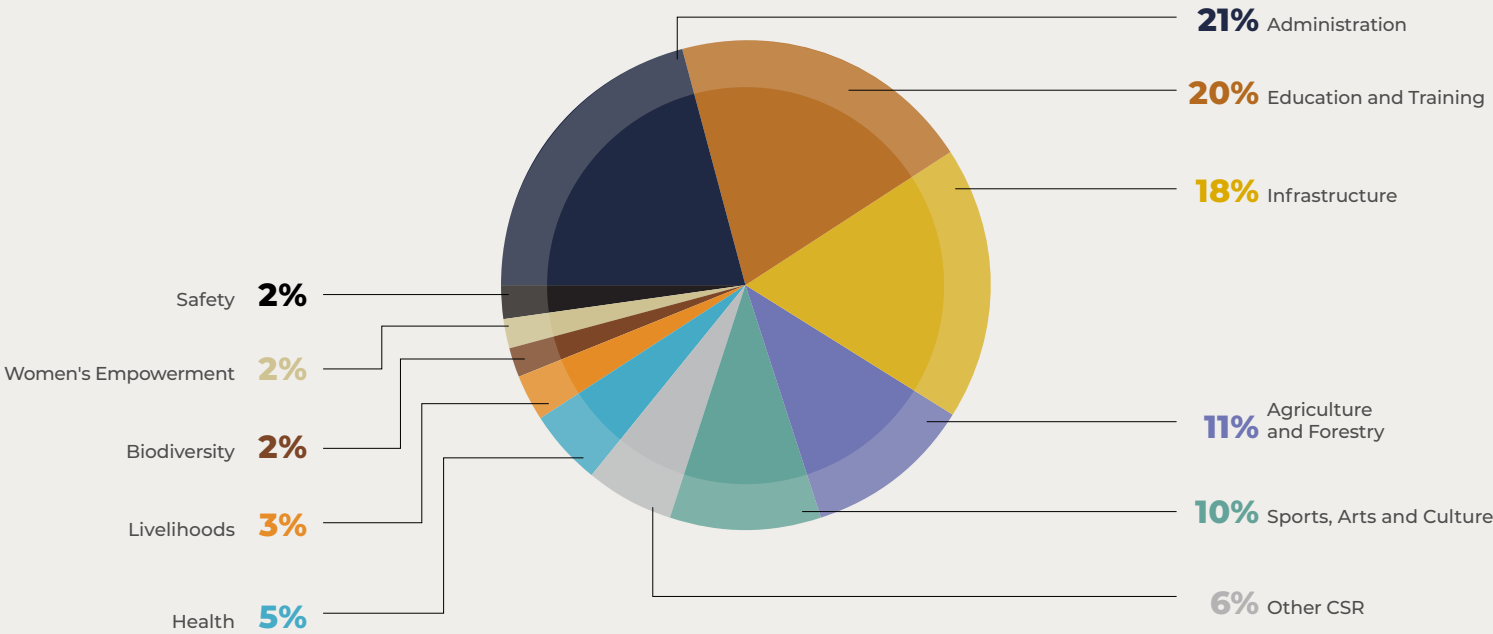


**0**  
Human rights violations

**\$30 million**  
Invested in a range of community programmes in the regions around our operating sites

**\$1.6 billion**  
Direct economic contributions in 2023 to governments in our host countries

2023 CSR SPEND BY PROJECT TYPE





# Our commitment to community development - Panama



Following the decision of the Government of Panama in December 2023, to suspend operations at Cobre Panamá, a number of community development programmes are currently suspended.



Training centre for industrial professions



159 participants from surrounding communities

30% female students

12 graduates in Industrial Mechanics were employed at Cobre Panamá

8 graduates in welding were in the process of being recruited by Cobre Panamá

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



Agro-forestation: growing food crops under the forest canopy



In Panama, agroforestry was introduced as part of reforestation commitment, aiming to minimise tree clearance while still providing a livelihood. Local farmers were supported in the establishment of shade adapted crops like coffee, cocoa and achiote. This initiative supports long-term reforestation commitments and benefits local farmers economically while enhancing ecological sustainability.

Early childhood development



The Early Stimulation Programme for children under 5 years has been successfully implemented across three centres in nearby communities, emphasising the critical importance of early childhood development in nurturing young minds and fostering holistic growth.



7 local agricultural enterprises supported

Cobre Panamá provided support to seven local enterprises, benefiting over 79 families engaged in marketing agricultural products, by offering them technical assistance to enhance their production and refine marketing strategies.

160 families provided with sustainable gardening support

Technical assistance, seeds and tools were provided to low-income families dedicated to establishing gardens for local sale and family consumption.

70 schools supported in agricultural production

Through the establishment of sustainable school gardens in 70 schools across the districts of Omar Torrijos, Donoso, and La Pintada, food was provided to 5 516 children.

212 scholarships awarded

A total of 212 individuals have been awarded scholarships for university-level and secondary education.







**Farming support in 2023**

7 000

farmers supported

237

livestock farmers supported

480

farmers practising conservation farming

12 500

tonnes of Maize harvested

Since its inception in 2010, the conservation farming programme has educated thousands of individuals in sustainable farming methods that emphasise low input costs and high yields. Since 2020, the programme has witnessed a notable escalation in harvest crops, rising from 6 000 tonnes in 2020 to 12 500 tonnes in 2023.



**Female empowerment**

136

new village banks

6 232

new members, mostly women

4 030

girls being supported under the EDGE programme

15x

increase on 2022

In 2022, Trident launched EDGE, an initiative aimed at empowering less privileged girls in the community teaching period poverty and gender inequality. The number of girls supported increased from 269 to over 4 000 in 2023.

Village banks now have 6 232 new members, mostly women, with an available loan fund exceeding \$0.5 million. 10 women are actively engaged in tie-dye fabric businesses following training, while various interventions, continue to support women in enhancing their livelihoods and achieving financial independence.

**Adult literacy programme**


34

learnings centres

646

adult learners

This initiative has not only established 34 invaluable learning centres but has also positively impacted the lives of 646 adult learners, providing them with opportunities for personal growth and development. Furthermore, the transition of 17 learners to skills training offered by the Ministry of Community Development and Social Welfare showcases the effectiveness of the programme in empowering individuals to pursue their aspirations and contribute meaningfully to their communities.

**Sanitation provision**

210

toilet bases distributed

We distributed 210 prefabricated toilet bases to the vulnerable members of our communities, including the elderly, the chronically ill, individuals with disabilities, and widows.





# Our commitment to community development - Zambia



First Quantum is dedicated to fostering robust communities surrounding our operations through substantial investments in community development, active participation and supporting public services. Moreover, we have financed various infrastructure projects within our host communities to deliver enduring benefits. Our investment in infrastructure is geared towards creating lasting, positive impacts beyond mining activities, enriching the lives of individuals in host communities for the long term.

North-Western development

ZMW1.1 million

(\$55 000)

invested into Kijilamatambo Primary School

Kansanshi in collaboration with Mader Group of Companies from Australia constructed an ablution block and a solar water system for Kijilamatambo Primary School. These toilets are waterborne, have running water, and are solar-powered.



Access to water for students, patients and people of Kabwela

ZMW1.3 million

(\$65 000)

We initiated the sinking and development of 5 boreholes, outfitting two with solar submersible pumps and two with 10 000-litre PVC water tanks. These installations serve three kiosks: Kabwela School, Kabwela Clinic, and neighbouring villages. Additionally, three boreholes feature India Mark II pumps to supply water to Kansanshi School, Nkonde, and Solochi communities in Kabwela. Our goal is to ensure pupils, patients and all Kabwela residents have sustainable access to clean water.

Zambia

20

bus shelters built across 12 communities

3

classrooms built at Kalumbila North Primary School

179

community taps and hand pumps were installed and put into operation

1

radio station built for the Musele community

1

police post built and handed over in Kisasa community

25

communities trained and supported on water resource management





## Biodiversity – Cobre Panamá

**Cobre Panamá lies entirely within the Mesoamerican Biological Corridor of the Panama Atlantic (MBCPA) and the Golfo de los Mosquitos Forests Important Bird Area. In recognition of the site's high biodiversity and biological sensitivity, Cobre Panamá has implemented a Biodiversity Action Plan aligned to ESIA commitments and follows both national regulations and international best practices, such as the International Finance Corporation's Performance Standard 6 (PS6), the Business and Biodiversity Offset Programme's (BBOP) Standard on Biodiversity Offsets, and the International Council on Mining and Metals (ICMM) Good Practice for Mining and Biodiversity.**

The Cobre Panamá biodiversity action plan is based on three key areas:

- Species level conservation plans
- Reforestation plans
- Protected areas plans



## Water quality monitoring

Cobre Panamá routinely monitors the surrounding rivers, which allows us to continuously evaluate the physical-chemical and biological quality of the water, as well as the health of the aquatic ecosystem. Our internal monitoring is carried out in real-time using CCTV cameras and more than 40 real-time stations as part of the largest monitoring network in Panama. Additionally, Cobre Panamá has more than 260 water quality control points outside of the project.

Cobre Panamá is located four water basins away from the Panama Canal and does not impact available water supplies to the Canal.



## Participatory water monitoring

We partner with local community members to monitor water quality, and share results and actions with them. 14 community members participated in 2023.



## CASE STUDY

### Cobre Panamá uses Artificial Intelligence (AI) to measure the anxiety and stress of the fish around the mine.

In 2023, Cobre Panamá developed a comprehensive programme of ecology and ecotoxicology in the streams and rivers surrounding its operation with the Superior Council of Scientific Research of Spain CSIC and the Bosh i Gimpera Foundation of the University of Barcelona. With specialised equipment and protocols to measure the behaviour of fish called 'novel tank', which is based on the ethological paradigm of unconditioned behaviour that involves the animal's response to a new environment. This is done with equipment called 'Noldus Trak 3D', using the AI softwarer Ethos Vision.

The results of downstream monitoring are a reflection of our upstream operational controls and the various preventive actions, eliminating risks associated with our activities. These actions are reflected in our environmental management policy and protocols, always based on science for environmental protection and compliance with local legislation.







## Cobre Panamá comes to your school

In 2023, a successful 'Cobre Panamá comes to your school' plan was developed in the local communities, focused on the archaeological findings and the extensive biodiversity action plan and commitments undertaken by Cobre Panamá.



## Species-level conservation



**Sea Turtle Conservancy** – Since 2014, Cobre Panamá has worked with Sea Turtle Conservancy on monitoring and research of sea turtles both within and adjacent to the site as well as remote populations.



**Peregrine Fund** – For more than 10 years, Cobre Panamá has been a valuable ally of The Peregrine Fund in the conservation of the Harpy Eagle, the national bird of Panama, in the Darién, home to the largest population of this species in Central America.

We manage all species of concern (18 species) with dedicated species action plans.

## CASE STUDY

### Wildlife Crossings

Cobre Panamá maintains connectivity of the Mesoamerican Biological Corridor by having the only road in Panama built with engineering criteria based on ecological studies. This facilitates the transit of terrestrial mammals and arboreal animals through their migratory routes.

- ♦ Wildlife crossings doubled in 2023
- ♦ 11 underpasses built for large wildlife
- ♦ 80 culverts for water drainage, which allow for smaller animal crossing
- ♦ 3 aerial crossings installed for fauna
- ♦ 88 trap cameras operating 365 days a year to monitor different species crossing





# Our commitment to environmental protection - Panama



Tree loss throughout Panama, principally due to agriculture is a challenge for the country. Cobre Panamá contributes positively to conservation of protected areas.

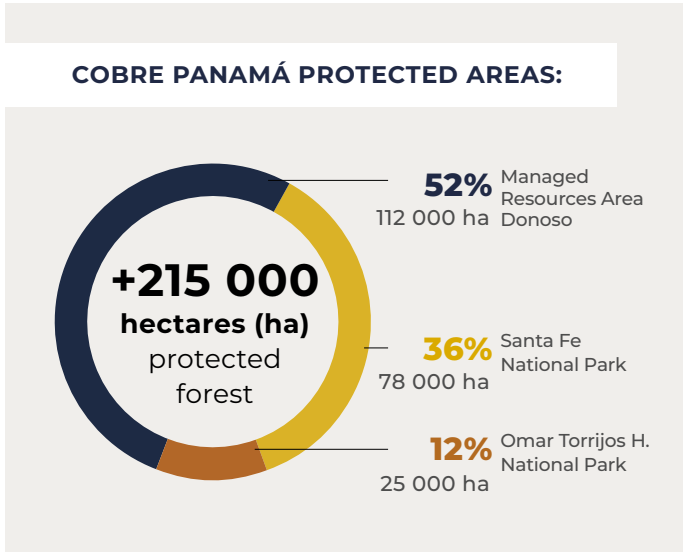
Protected areas +30x larger than Cobre Panamá mine footprint

Cobre Panamá reforestation Almost 20% of Panama's total terrestrial protected areas are supported by Cobre Panamá

11 175 hectares reforestation commitment

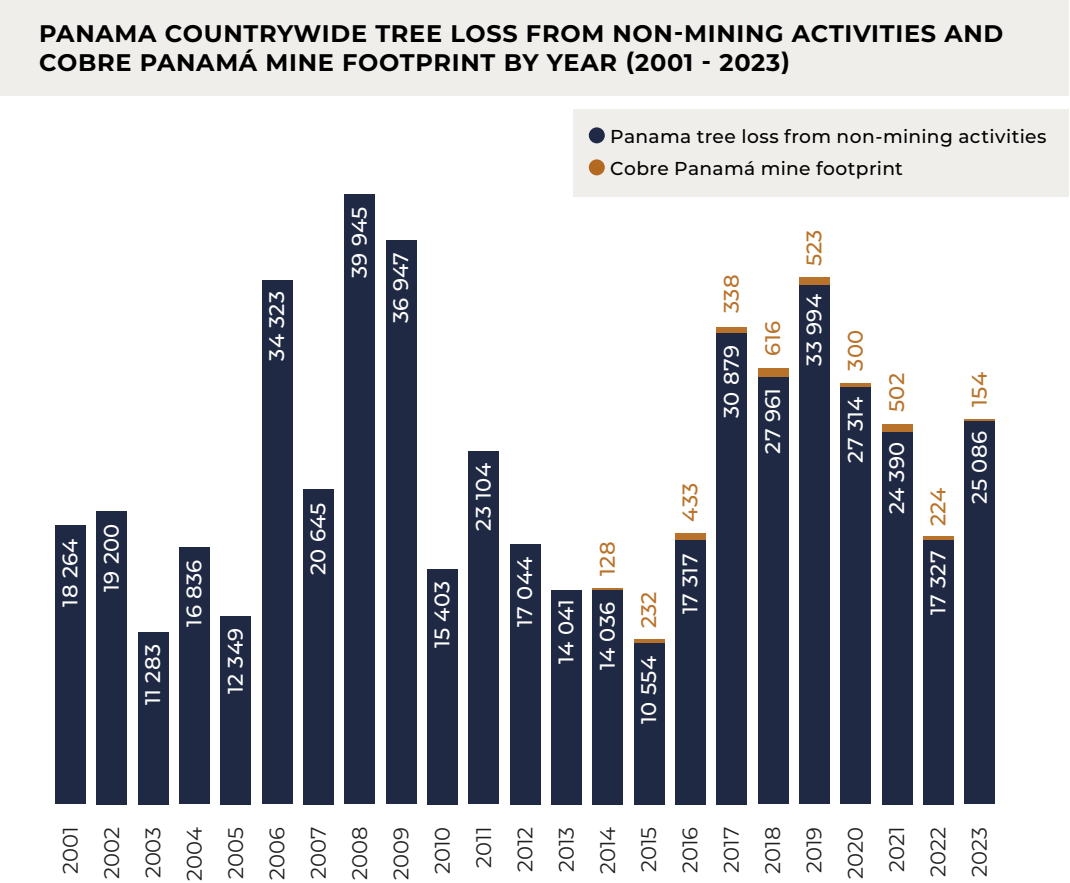
4 681 hectares non-mining concession reforested to date

- Cobre Panamá had committed up to \$30 million to support the natural areas of the MBCPA for the next 10 years. Specifically:
- More than \$4 million was committed between 2022 and 2023.
  - 70% increase in headcount to aid conservation efforts, resulting in the addition of 12 more professionals and 38 park rangers.
  - 21 new vehicles were provided, including 9 pickup trucks, 10 motorcycles, and 3 boats for work in the protected areas.



## Protected areas

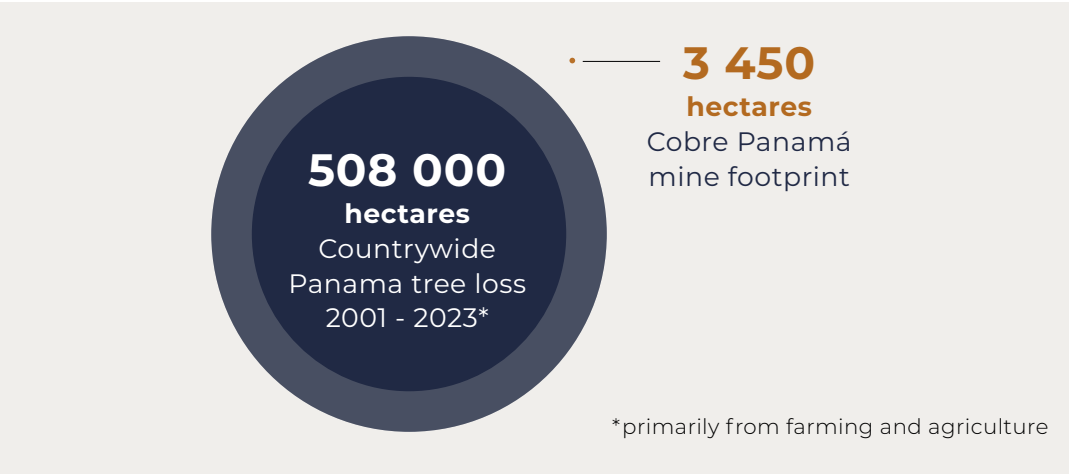
The operational capacity of the surrounding protected areas was strengthened through collaboration with the Panamanian Ministry of Environment. The objectives are focused on reducing deforestation in surrounding areas, conserving species habitats, compensating for natural habitat loss, and funding and building capacity for protected area management.



Panama tree cover in 2000 was estimated at 5 700 500 hectares

Countrywide Panama tree cover loss from 2001 to 2023 was 508 000 hectares

Cobre Panamá's impact on tree cover over the same period is only 0.04%



## CASE STUDY

### Micropropagation and In-vitro Conservation Laboratory

Cobre Panamá, in alliance with the Universidad Latina, has developed and brought into operation the Micropropagation and In Vitro Conservation Laboratory, where Panamanian science has a space for research and reproduction of native and endemic species of Panama. The plants obtained in vitro in this laboratory, once acclimatised, will be part of the continuous restoration programmes of the mining areas, as well as the conservation plans for these species in other areas of the country.

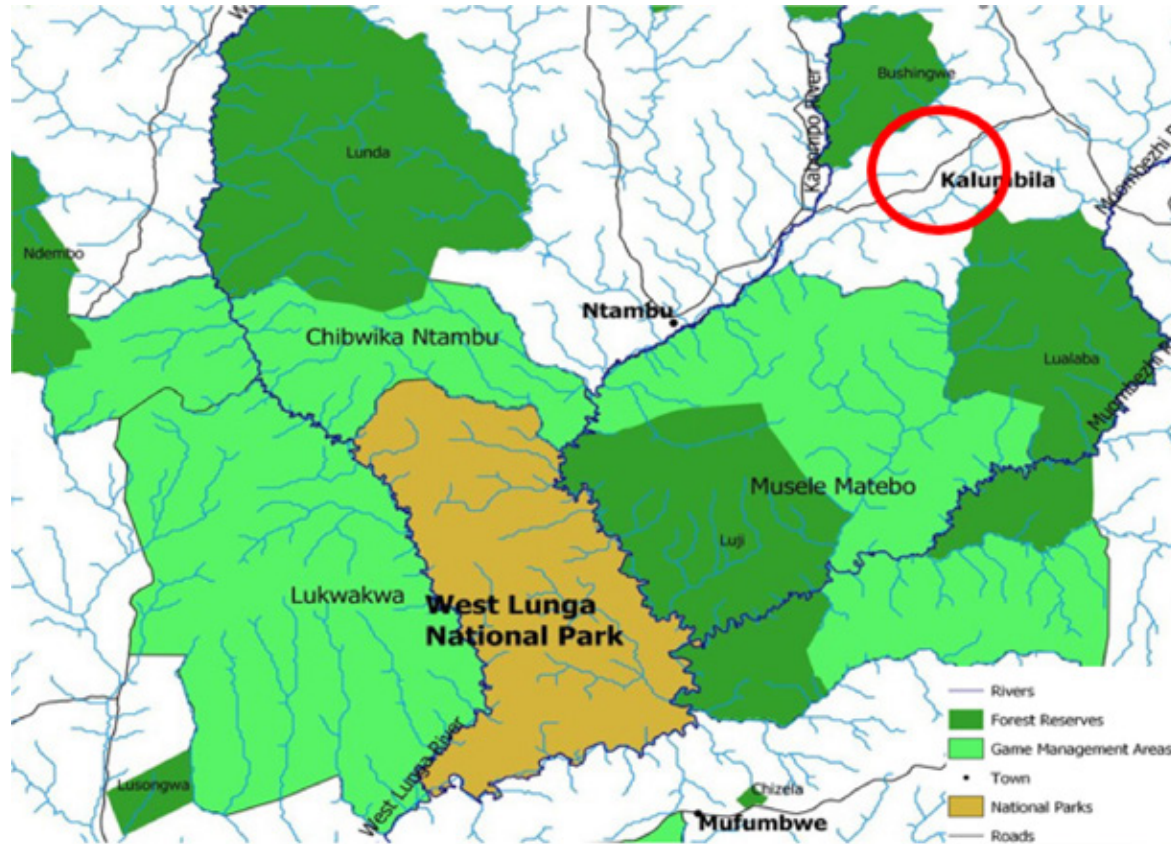
Micropropagation is most commonly used in vitro culture applications, which allows us to obtain 'clones' from explants (fragments) of a mother plant. In other words, from a small section, you could obtain plants that are genetically identical to the original plant. Micropropagation is used in the conservation of threatened species, obtaining healthy and virus-free plants, the mass production of ornamental and medicinal plants, and some crops of agronomic interest.

Micropropagation techniques allow the multiplication of those plants that resist conventional propagation, preserve their genetic integrity and obtain high yield rates from a reduced starting material.



# Our commitment to environmental protection - Zambia

18



**Areas of natural habitat in north-western Zambia, around our Trident operation, supported by First Quantum include Bushingwe and Lualaba forest reserves as well as the vast West Lunga Ecosystem (WLE).**

- Long-term sustainable management of the area
- In partnership with the Department of Forestry, we support the protection of vast tracts of undisturbed forests
- Long-term revenue generation through initiatives (community game ranching, tourism and honey production)
- Development of partnerships with neighbouring communities, Zambian Department of National Parks and Wildlife and conservation organisations

## First Quantum protecting Zambian biodiversity

**\$6+ million**  
invested to date

**UNEP GEF7**  
project partner

*Pictured below:* White bellied tree pangolin found at Trident, Zambia

**1.2 million**  
hectares West Lunga  
Ecosystem area

**Up to 50**  
endemic plant species

**6 species**  
of fauna

listed by the IUCN as near  
threatened to endangered are  
present and supported in the WLE

**19 000 trees**  
planted in 2023 by Kansanshi

Protected biodiverse areas supported by  
First Quantum in Zambia represent an area

**100x  
LARGER**

than our mining footprint





# Our commitment to environmental protection - Zambia



## Biodiversity monitoring

The Trident team, working alongside expert consultants, undertook a field survey to ascertain the present ecological integrity of the mine and understand the potential impacts mining has on biological receptors and the environment.

The Dormouse and Colotis Butterfly are part of the incredible ecosystem monitored by our team at Trident, their numbers are carefully observed to ensure the ecosystem remains healthy.



## Aquatic biodiversity monitoring assessment

A fish and macro-invertebrate (water insects) survey was conducted on the four rivers surrounding Trident.

A general increase of fish species downstream was recorded from the previous year's studies, an indication of the good water quality released to receiving environments.



## Reforestation

The tree nursery at Trident produced thousands of seedlings, of which, 9 450 were planted. 10 hectares of the waste rock dumps were stabilised and restored in 2023.



## Community forestry

Co-financing from UNEP GEF 7, supports the establishment of a 40 000 hectares community forest management area to enhance community livelihoods through sustainable community-led forest initiatives, such as carbon trading and other non-timber forest product enterprises.

## Forest conservation

The conservation and protection of 142 000 hectares area of the National Forest Reserve adjacent to the Trident surface rights area is co-managed. Carbon assessment results of the forests indicate a carbon sequestration capacity of 14 million tons of carbon, with over 60 000 seedlings planted for forest restoration.



## Wildlife conservation

The estimated wildlife population at the Trident site includes 1 600 wild ungulates, comprising 13 different species such as antelopes and buffalo. Additionally, it is an ecologically important area for the endangered white-bellied tree pangolin (Phataginus tricuspis). Conservation efforts for pangolins include rescue and release programs, law enforcement, and awareness initiatives in schools.



## West Lunga Conservation Project

Working with the Zambian Department of National Parks and Wildlife (DNPW) and through third party partnerships, First Quantum provides logistical, technical, financial and managerial support for the conservation of the West Lunga Ecosystem.

- Funding the recruitment, training and equipment of wildlife rangers
- Provision of vehicle maintenance and transport support
- Development of infrastructure
- Conservation-related livelihood programmes in surrounding communities
- Creation of a Community Game Reserve in Ntambu Chiefdom
- Supporting a honey out-grower programme
- Community Tourism Camp

The overall objective of the various partnerships are to restore the WLE to its full ecological potential following years of illegal hunting and unsustainable land use.



11 750 km<sup>2</sup>  
of conservation area



Reporting Entity Name	First Quantum Minerals Ltd.					
Reporting Year	From	1/1/2023	To	31/12/2023	Date Submitted	29/5/2024
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 and 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., Minera La Granja S.A.C.					
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	23/5/2024		
Position Title	Chief Financial Officer					



Reporting Year	From	1/1/2023	To	31/12/2023	
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	270 712	–	–	–	–	–	–	270 712	
Argentina	Government of the Province of Salta	Mining Secretary	–	–	160 246	–	–	–	–	160 246	
Australia	Shire of Ravensthorpe		756 375	–	–	–	–	–	–	756 375	
Australia	State of Western Australia	Department of Mines, Industry Regulation & Safety	738 580	15 354 046	239 758	–	–	–	–	16 332 383	
Australia	State of Western Australia	Department of Environment Regulation	–	–	95 583	–	–	–	–	95 583	
Australia	State of Western Australia	Department of Finance	157 757	–	–	–	–	–	–	157 757	
Australia	State of Western Australia	Department of Transport	–	–	54 042	–	–	–	–	54 042	
Australia	State of Western Australia	Department of Health	–	–	21 046	–	–	–	–	21 046	
Australia	Equity Trustees Wealth Services Limited		–	736 132	–	–	–	–	–	736 132	
Chile	Government of Chile	General Treasury of the Republic	91 323	–	–	–	–	–	–	91 323	
Finland	Government of Finland	Finnish Tax Administration	454 821	–	–	–	–	–	–	454 821	



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>
Mauritania	Government of Mauritania	Ministry of Finance	1 253 624	–	–	–	–	–	–	1 253 624	For the taxes category, \$4,922,098 were paid to the Ministry of Finance, of which \$3,668,474 was paid through offset of VAT refundable, and \$1,253,624 was paid in cash.
Mauritania	Government of Mauritania	Ministry of Mines, Energy, and Petroleum	–	5 872 937	–	–	–	–	–	5 872 937	
Panama	Government of Panama	National Treasury	376 032 580	103 660 979	423 442	–	–	–	–	480 117 001	<p>On November 16, 2023, in accordance with its contractual obligations to the Republic of Panama under Law 406, the Company made tax and royalty payments of \$567 million in respect of the period from December 2021 to October 2023. Of the \$567 million paid, \$83 million is related to interest withholding taxes and import duties offsets not reportable under ESTMA.</p> <p>Taxes includes taxes and royalties calculated based on a taxable margin and includes gross profit based royalties in Panama.</p> <p>Royalties includes revenue based royalties and minimum taxes in Panama.</p> <p>For the royalties category, \$110,361,236 were paid to National Treasury, of which \$6,700,256 was paid through offset of import duties and VAT refundable, and \$103,660,979 was paid in cash.</p>
Panama	Government of Panama	Maritime Authority	–	–	473 877	–	–	–	–	473 877	
Panama	Government of Panama	Environmental Ministry	–	–	4 977 429	–	–	–	–	4 977 429	
Panama	Municipality of Donoso		–	–	99 710	–	–	–	–	99 710	
Panama	Municipality of Omar Torrijos Herrera		–	–	102 331	–	–	–	–	102 331	
Peru	Government of Peru	Mining and Metallurgical Geological Institute	–	–	668 021	–	–	–	–	668 021	
Peru	Huanacopampa Community		–	–	76 891					76 891	
Spain	Gerena Town Hall		418 854	–	–	–	–	–	–	418 854	



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>
Spain	Andalusian Regional Government		–	–	74 545					74 545	
Spain	Government of Spain	Hydrographic Confederation	210 737				–			210 737	
Turkey	Eti Maden İşletmeleri Genel Müdürlüğü		–	4 542 896	–	–	–	–	–	4 542 896	Eti Maden İşletmeleri Genel Müdürlüğü is a Turkish majority state owned company.
Turkey	Government of Turkey	Turkish Revenue Agency/ Ministry of Finance	3 670 166	–	–	–	–	–	–	3 670 166	For the taxes category, \$9,654,431 were paid to the Turkish Revenue Agency, of which \$5,984,265 was paid through offset of VAT refundable, and \$3,670,166 was paid in cash.
Turkey	Madenli Municipality		137 126	–	128 773	–	–	–	–	265 900	
Turkey	Rize Province		2 204 646	–	197 336	–	–	–	–	2 401 982	
Zambia	Government of Zambia	Zambia Revenue Authority	86 692 844	177 853 012	–	–	–	–	–	264 545 856	For the taxes category, \$98,724,233 were paid to the Zambia Revenue Authority, of which \$12,031,389 was paid through offset of VAT refundable, and \$86,692,844 was paid in cash.  For the royalties category, \$197,398,835 were paid to the Zambia Revenue Authority, of which \$19,545,823 was paid through offset of VAT refundable, and \$177,853,012 was paid in cash.
Zambia	Government of Zambia	Ministry of Mines and Mineral Development	2 822 289	–	114 349	–	–	–	–	2 936 638	
Zambia	Government of Zambia	Ministry of Lands and Natural Resources	18 874 501	–	14 722	–	–	–	–	18 889 223	
Zambia	Government of Zambia	ZCCM Investments Holdings Plc	–	47 749 712	–	–	–	7 228 795	–	54 978 507	ZCCM Investments Holdings Plc is a company majority owned by the Republic of Zambia.
Zambia	Government of Zambia	Mines Safety Department	–	–	32 536	–	–	–	–	32 536	
Zambia	Government of Zambia	Zambia Environmental Management Agency	–	–	6 917	–	–	–	–	6 917	



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	Water Resources Management Authority	112 072	–	–	–	–	–	–	112 072	
Zambia	Government of Zambia	Radiation Protection Authority	–	–	35 875	–	–	–	–	35 875	
Zambia	Government of Zambia	National Council for Construction	–	–	128 732	–	–	–	–	128 732	
Zambia	Ndola City Council		175 825	–	–	–	–	–	–	175 825	
Zambia	Solwezi Municipal Government		4 111 836	–	–	–	–	–	–	4 111 836	
Total			499 186 665	355 769 714	8 126 160	–	–	7 228 795	–	870 311 334	

Additional Notes

1. Above numbers are reported in USD.

Payments in currencies other than USD are generally converted into USD at the official exchange rate of the date of the transaction. For reference purposes only, the average exchange rates for 2023 are as follows:

For payments in the following currencies, the conversion of the paymentsto USD is done by using the 2023 average exchange rates as follows:

2. The Company reported all payments in excess of USD \$75,609 (CAD \$100,000/1.3226 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.

Currency	USD
Australian dollar	1.5051
Mauritanian ouguiya	36.7004
Panamanian Balboa	1.0000
Peruvian nuevo sol	3.7434
Turkish lira	23.7681
Zambian kwacha	20.2215

Currency	USD
Argentine peso	293.4220
Chilean peso	840.1640
Euro	0.9247

<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.



Reporting Year	From	1/1/2023	To	31/12/2023	
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 by Project	Notes <sup>2 3</sup>
Argentina	Taca Taca	270 712	–	160 246	–	–	–	–	430 957	
Australia	Ravensthorpe	1 652 711	16 090 177	410 428	–	–	–	–	18 153 316	
Chile	Various early stage exploration	91 323	–	–	–	–	–	–	91 323	
Finland	Pyhäsalmi	454 821	–	–	–	–	–	–	454 821	
Mauritania	Guelb Moghrein	1 253 624	5 872 937	–	–	–	–	–	7 126 560	For the taxes category, \$4,922,098 were paid in respect of the Guelb Moghrein project, of which \$3,668,474 was paid through offset of VAT refundable, and \$1,253,624 was paid in cash.



PAYMENTS BY PROJECT

Country	Project Name <sup>1</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes <sup>2 3</sup>
Panama	Cobre Panama	376 032 580	103 660 979	6 076 790	–	–	–	–	485 770 349	On November 16, 2023, in accordance with its contractual obligations to the Republic of Panama under Law 406, the Company made tax and royalty payments of \$567 million in respect of the period from December 2021 to October 2023. Of the \$567 million paid, \$83 million is related to interest withholding taxes and import duties offsets not reportable under ESTMA.
										Taxes includes taxes and royalties calculated based on a taxable margin and includes gross profit based royalties in Panama.
										Royalties includes revenue based royalties and minimum taxes in Panama.
										For the royalties category, \$110,361,236 were paid in respect of the Cobre Panama project, of which \$6,700,256 was paid through offset of import duties and VAT refundable, and \$103,660,979 was paid in cash.
Peru	Haquira	–	–	744 912	–	–	–	–	744 912	
Spain	Las Cruces	629 590	–	74 545	–	–	–	–	704 135	
Turkey	Çayeli	6 011 939	4 542 896	326 109	–	–	–	–	10 880 944	Royalty was paid to Eti Maden İşletmeleri Genel Müdürlüğü, a majority state owned company.
										For the taxes category, \$11,997,138 were paid in respect of the Çayeli project, of which \$5,984,265 was settled through offset of VAT refundable, and \$6,012,873 was paid in cash.
Zambia	FQMO	188 903	–	14 246	–	–	–	–	203 149	



PAYMENTS BY PROJECT

Country	Project Name <sup>1</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes <sup>2 3</sup>
Zambia	Kansanshi	34 529 033	118 759 379	169 856	–	–	7 228 795	–	160 687 063	<div>Dividends were paid to ZCCM Investments Holdings Plc, a company majority owned by the Republic of Zambia.</div> <div>For the taxes category, \$40,472,208 were paid in respect of the Kansanshi project, of which \$5,943,175 was paid through offset of VAT refundable, and \$34,529,033 was paid in cash.</div> <div>For the royalties category, \$126,649,345 were paid in respect of the Kansanshi project, of which 7,889,966 was paid through offset of VAT refundable, and \$118,759,379 was paid in cash.</div>
Zambia	Trident (including Sentinel and Enterprise)	78 071 431	106 843 345	149 029	–	–	–	–	185 063 805	<div>For the taxes category, \$84,159,645 were paid in respect of the Trident project, of which \$6,088,214 was paid through offset of VAT refundable, and \$78,071,431 was paid in cash.</div> <div>For the royalties category, \$118,499,202 were paid in respect of the Trident project, of which \$11,655,857 was paid through offset of VAT refundable, and \$106,843,345 was paid in cash.</div>
Total		499 186 665	355 769 714	8 126 160	–	–	7 228 795	–	870 311 334	

Additional Notes<sup>3</sup>

1. Above numbers are reported in USD.

Payments in currencies other than USD are generally converted into USD at the official exchange rate of the date of the transaction. For reference purposes only, the average exchange rates for 2023 are as follows:

Currency	USD
Australian dollar	1.5051
Mauritanian ouguiya	36.7004
Panamanian Balboa	1.0000
Peruvian nuevo sol	3.7434
Turkish lira	23.7681
Zambian kwacha	20.2215

For payments in the following currencies, the conversion of the paymentsto USD is done by using the 2023 average exchange rates as follows:

Currency	USD
Argentine peso	293.4220
Chilean peso	840.1640
Euro	0.9247

2. The Company reported all payments in excess of USD \$75,609 (CAD \$100,000/1.3226 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.





# 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.

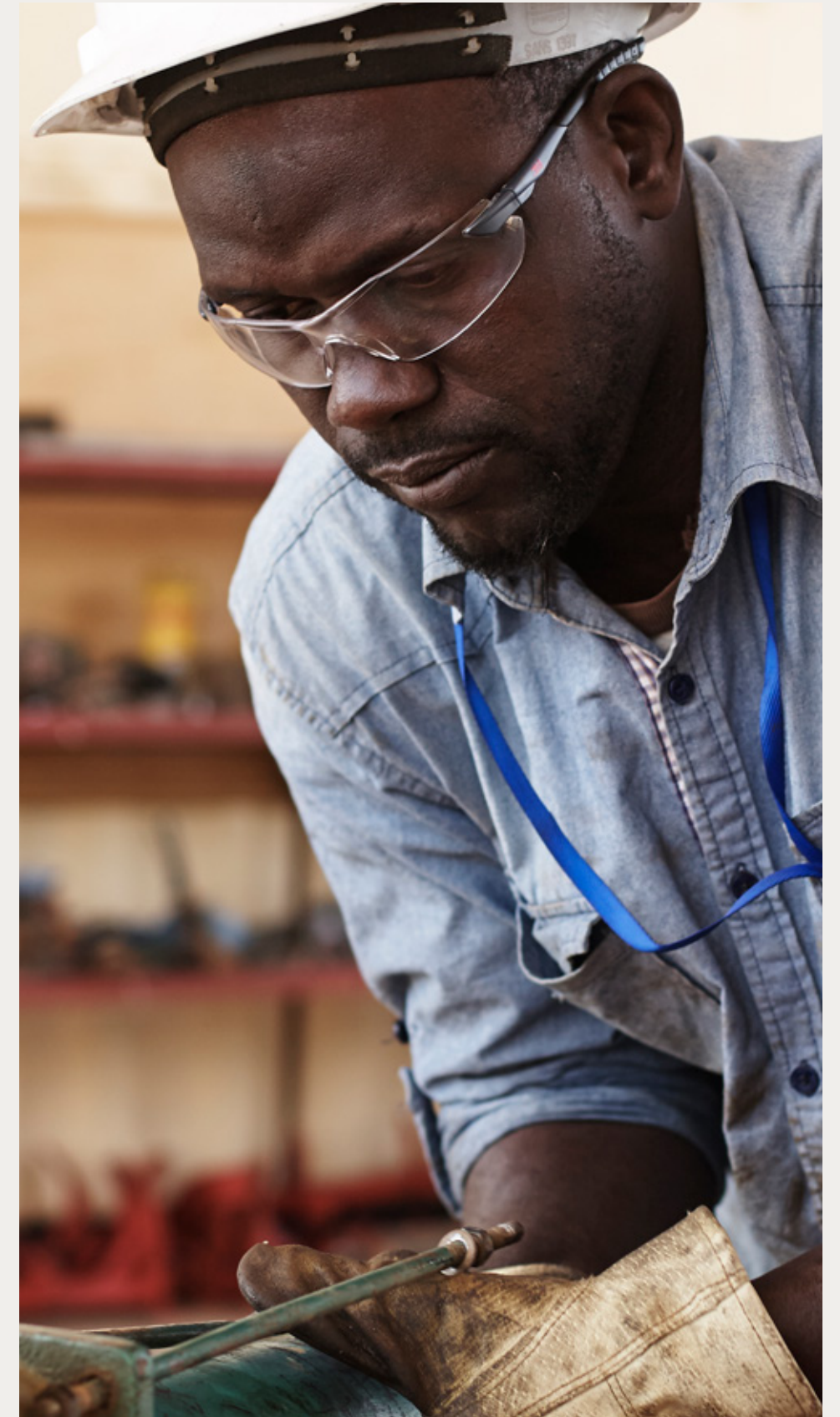
Payees include governments at any level, including national, regional, state, provincial, local or municipal levels. Payees may include non-governmental entities if the benefit bestowed would have otherwise been provided by the government. Payees also include any government-owned or government-controlled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







### 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.

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





[www.first-quantum.com](http://www.first-quantum.com)