GREENHOUSE GASES VERIFICATION LETTER

Santiago, June 15th, 2021

Ms. Josefina Díaz
Sustainability Manager
ENAEX S.A.

From our consideration, the Greenhouse Gas Emissions Inventory considers:

Period: **01/01/2020 – 31/12/2020**

Company: **ENAEX S.A.**

Address: Av. El Trovador 4253, 6th floor, Las Condes, Santiago

Review carried out in accordance with ISO 14064-3 that meets the requirements of ISO **14064-1:2006**, representing a total amount of:

928.011 tCO2e

For the following activities:

Scope 1:

- Diesel consumption (mobile sources and fixed sources)
- Gasoline consumption (mobile sources)
- Liquefied Petroleum Gas (fixed sources)
- Refrigeration and air conditioning
- Process emissions (nitric acid plant and acid concentration plant)
- Water treatment
- Waste treatment

Scope 2:

- Indirect emissions associated with the purchase of electricity from the grid

Scope 3:

- Category 1. Purchased goods and services
- Category 4. Upstream transportation and distribution
- Category 5. Waste generated in operations

- Category 6. Business travel
- Category 7. Employee commuting
- Category 9. Downstream transportation and distribution

Table 1: ENAEX S.A. Greenhouse Gas Emissions and facilities involved for year 2020 (01/01/2020 – 31/12/2020)

ENAEX S.A.	Scope 1 tCO_2e	Scope 2 tCO_2e	Scope 3 tCO_2e	Total scope 1, 2 & 3 tCO_2e 2020 (*)
Prillex Plant	107.031	14.029	757.488	878.548
Rio Loa Planta	4.690	1.173	17.700	23.562
Punta Teatinos Plant	59	228	24.758	25.045
Head Offices	8	223	624	855
Total (*)	111.788	15.653	800.570	928.011

(*) Rounding differences

Authorized by:

Paulina Kellenberger
Greenhouse gases Lead Assessor

Alicia Fernández
Product Manager

Consulting & Sustainability

It should be noted that this verification does not constitute an audit, and, consequently, we do not express an audit opinion on this statement.

This statement is not valid without the scope, roles and responsibilities, findings and conclusion of verification available on pages 3 and 4 of this letter.

Brief description of the verification process

SGS Chile Ltda. has been contracted by ENAEX S.A. S.A. for the verification of direct and indirect carbon dioxide (CO_2) equivalent emissions, provided in their GHG Assertion.

The purpose of this verification is to independently review objective evidence to determine:

- Whether the CO_2e emissions are as declared by in the organization's CO_2e Emissions Assertion.
- Whether the data reported are accurate, complete, consistent, transparent and free of material errors or omissions.

Roles and responsibilities

ENAEX S.A. is responsible for the GHG information system of the organization, the development and maintenance of records and the reporting procedure in accordance with its system and the requirements of ISO 14064-1:2006, including the calculation, information and determination of the reported GHG emissions.

It is the responsibility of SGS to conducted a third-party review following the requirements of ISO 14064-3:2006 and express an independent opinion of the GHG emissions Statement provided by ENAEX S.A. in the document: "2020 Enaex Herramienta cálculo huella CO2_v8" for the period 01/01/2020 – 31/12/2020.

The assessment included a desk review[1]. The verification was based on the scope, objectives and criteria agreed between SGS and ENAEX S.A.

Scope

ENAEX S.A. has requested SGS to carry out an independent third-party review of CO_2e emissions from its activities, in order to establish compliance with the requirements of ISO 14064-1, within the scope of the verification described below. The data and information supporting the CO_2e Assertion are historical in nature and proven by evidence.

This engagement covers the verification of emissions from anthropogenic sources of greenhouse gas included within the organization's boundary and meets the requirements of ISO 14064-1:2006.

- The organizational boundary was established following the operational control approach.
- Description of the activities, infrastructure, technologies and locations: Offices, nitric acid and ammonium nitrate plant – Prillex plant and explosive plants – Rio Loa and Punta Teatinos plants, all located in Chile.
- GHG sources, sinks and/or reservoirs included:
    - Scope 1: diesel consumption (mobile sources and fixed sources), gasoline consumption (mobile sources), Liquefied Petroleum Gas (fixed sources), refrigeration and air conditioning, process emissions (nitric acid plant and acid concentration plant), water treatment and waste treatment.
    - Scope 2: Indirect emissions associated with the purchase of electricity from the grid;
    - Scope 3: Category 1. Purchased goods and services, Category 4. Upstream transportation and distribution, Category 5. Waste generated in operations, Category 6. Business travel, Category 7. Employee commuting, Category 9. Downstream transportation and distribution.

[1] No site visit has been performed in this verification period due to COVID-19 restrictions.

- Types of GHGs included: CO_2, N_2O, CH_4, HFC, PFC, SF_6 and NF_3.
- Directed actions: No direct actions.
- GHG information for the following period was reviewed: 01/01/2020 – 31/12/2020.
- Intended user of the GHG declaration: internal use and external publication.

Level of assurance and materiality

The agreed level of assurance is reasonable for scope 1 and 2, and limited for scope 3.

The materiality required of the assessment was considered by SGS to be below 5% for scope 1 and 2 and below 10% of scope 3, based on the needs of the intended user of the GHG Assertion.

Conclusion

ENAEX S.A. provided their GHG Assertion based on the requirements of ISO 14064-1:2006. The GHG emissions for the period 01/01/2020 – 31/12/2020 are **928.011 tCO2e,** and it verified that are fairly stated.

SGS's approach is risk-based, drawing on an understanding of the risks associated with modelling GHG emission information and the controls in place to mitigate these risks. Our review included assessment, on a sample basis, of evidence relevant to the voluntary reporting on emission information.

SGS concludes for scope 1 and 2, with reasonable assurance that the presented CO2 equivalent Assertion is materially correct and is a fair representation of the CO2 equivalent data and information, and is prepared following the requirements ISO 14064-1.

SGS concludes for scope 3, with limited assurance that there is no evidence to suggest that the presented CO2 equivalent Assertion is not materially correct and is not a fair representation of the CO2 equivalent data and information, and is prepared following the requirements of ISO 14064-1.

We planned and performed our work to obtain the information, explanations and evidence that we considered necessary, to provide a reasonable level of assurance for scopes 1 and 2; and limited level of assurance for scopes 3 emissions.

This statement shall be interpreted with the CO_2 equivalent Assertion of Enaex S.A. as a whole.

Note: This Letter is issued, on behalf of Client, by SGS. The findings recorded here are based upon an audit performed by SGS. A full copy of this review, findings and verification conclusions may be consulted at ENAEX S.A., El Trovador 4253, 6th floor, Las Condes, Santiago. This Letter does not relieve Client from compliance with any bylaw, national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are not binding on SGS and SGS shall have no responsibility vis-à-vis parties other than its Client.