

Southern Copper

June 2024

# COMPANY PRESENTATION





# Safe Harbor Statement

The material in this presentation contains certain statements that are neither reported financial results nor other historical information. These estimates are forward-looking statements within the meaning of the safe-harbor provisions of the securities laws.

These forward-looking estimates are subject to risk and uncertainties that could cause actual results to differ materially from the expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Southern Copper's (SCC) ability to control or estimate precisely, such as future market conditions, commodity prices, the behavior of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation.

SCC does not undertake any obligation to publicly release any revision to these forward-looking estimates to reflect events or circumstances after the date of this presentation.



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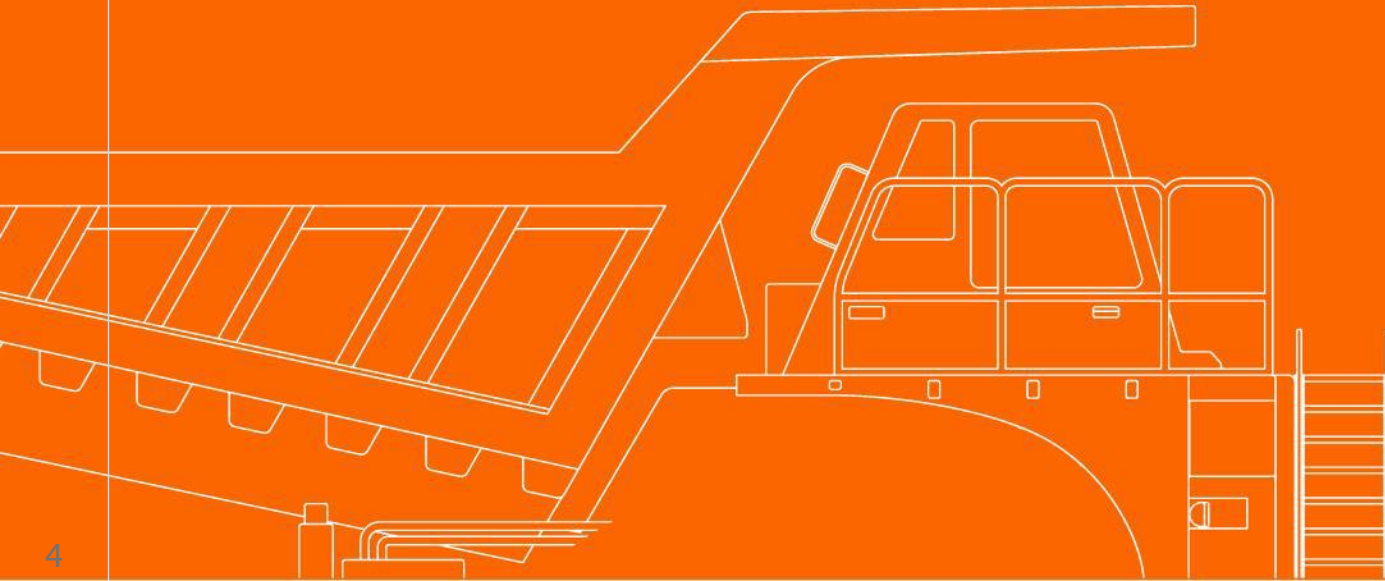
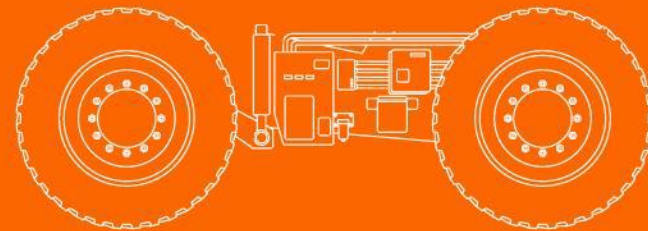
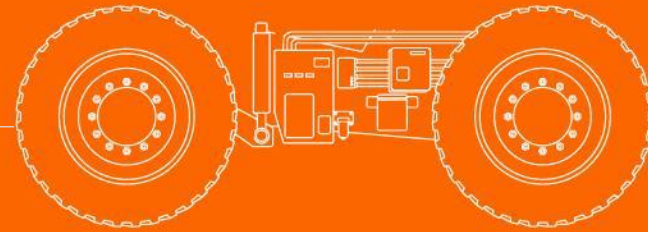
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# Introduction

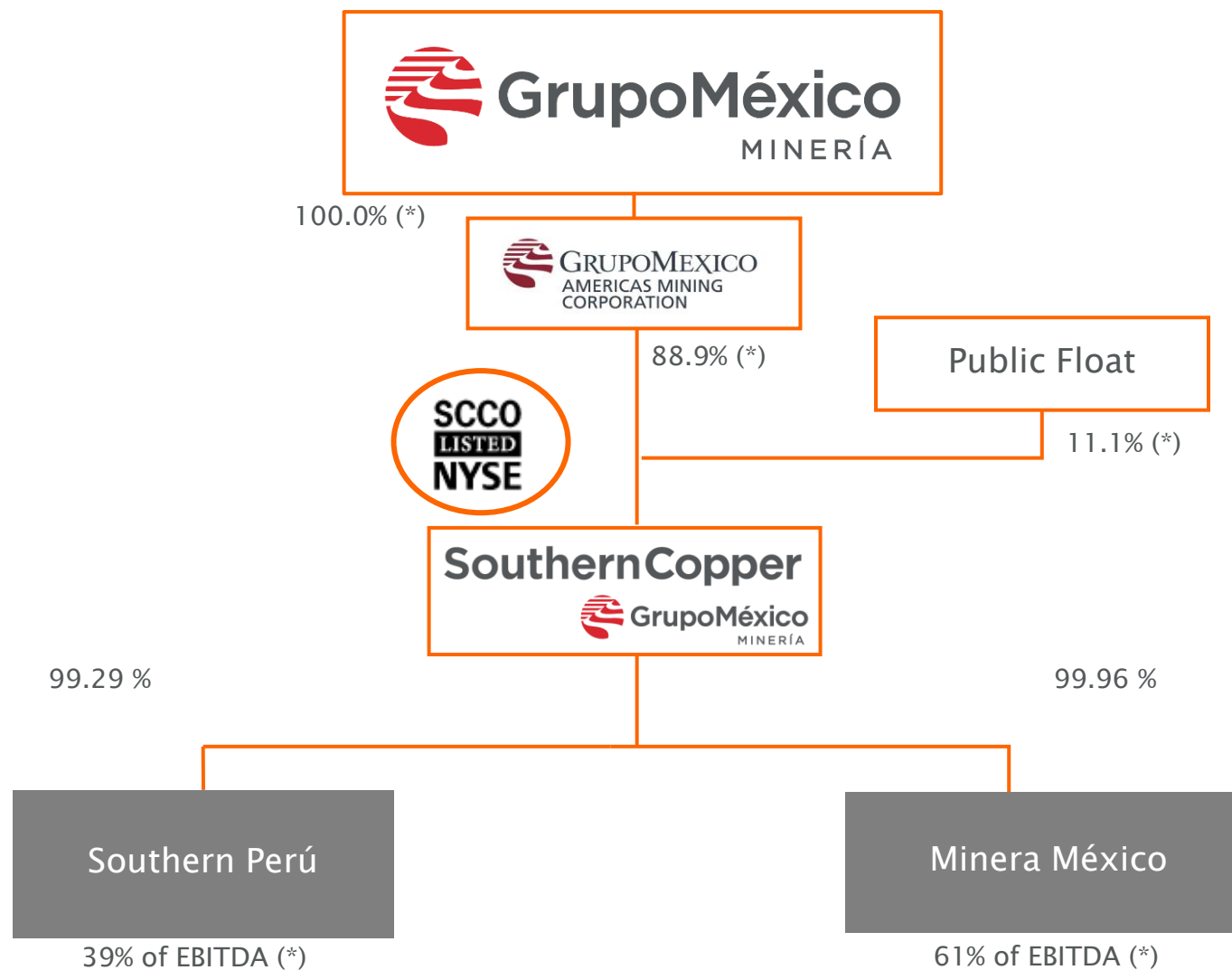
Corporate Structure  
Copper Fundamentals  
SCC's Strengths  
ESG



# Corporate Structure



SouthernCopper



(\*) As of March 31, 2024

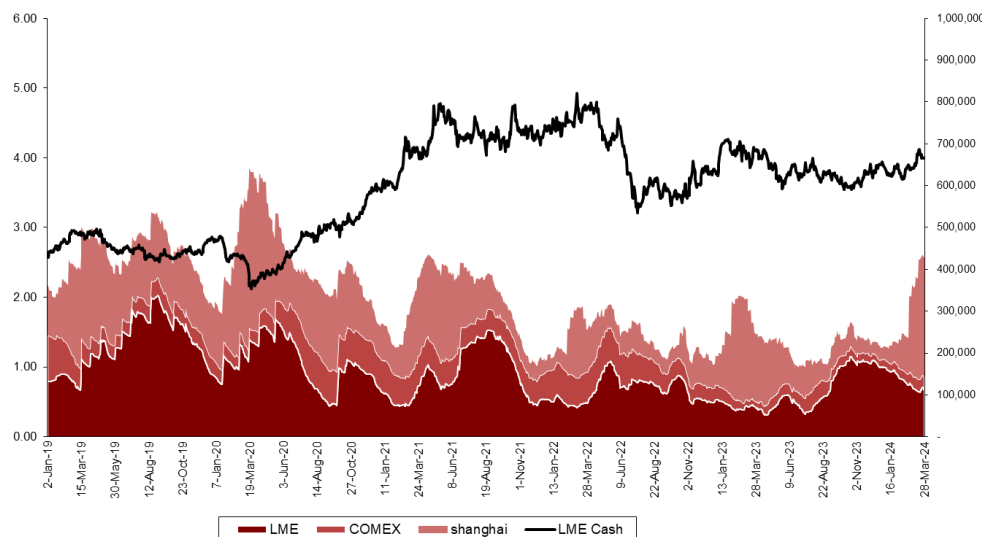


# Copper – The best Fundamental Story in Commodities

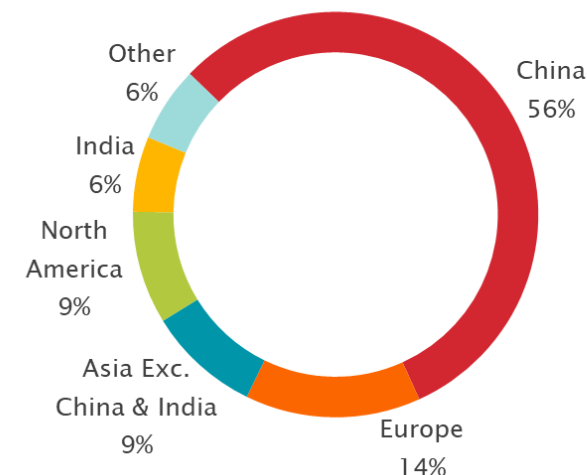
## COPPER MARKET SOLID FUNDAMENTALS

- Expecting a slight market deficit of 300K for 2024. Inventories at a low level.
- Supply: Risk in production and projects coming from Panama, Chile and Peru (about 40% of world supply).
- 2024 demand estimated to grow 3%. Concerns about China's growth. Positive long-term outlook due to demand for clean energy technologies.

## LME COPPER CASH PRICE VS INVENTORIES

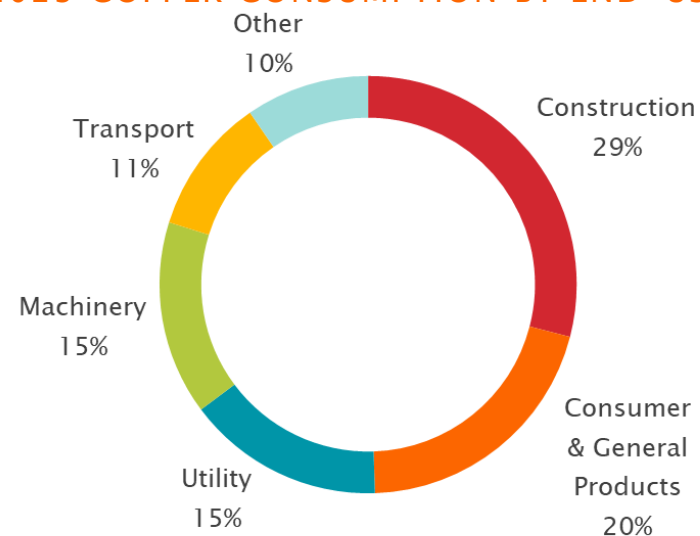


## 2023 COPPER CONSUMPTION BY REGION



Source: Wood Mackenzie

## 2023 COPPER CONSUMPTION BY END-USE



Source: CRU

# Southern Copper Strengths



- Highest copper reserves of any listed company.
- Excellent organic growth projects.
- Low cost, integrated operations.
- Experienced management team.
- Strong financial performance / investment grade since 2005.
- Outstanding dividend history.
- Good long-term copper & by-product fundamentals.

# ESG at the Core of our Strategy



## STRONG ESG COMMITMENT

- ✓ SCC was included in S&P Global's Sustainability Yearbook. SCC is ranked among the top 15% of the best-rated companies in sustainability in mining and metals.
- ✓ SCC received clean energy certificates from one of its electricity suppliers in Peru. Consumption of renewable electrical energy at SCC increased from 23% to 36% in 2023.

## FOCUS ON CLIMATE CHANGE AND RISK MANAGEMENT

- ✓ SCC's greenhouse gas emissions dropped 7.5% in 2023 compared to 2022.
- ✓ In the 1Q24, a briefing was held for the directors and management of SCC on the risks and opportunities associated with climate change. This aims to integrate climate action into their business strategy.



## ENVIRONMENTAL AND HUMAN DEVELOPMENT

- ✓ SCC received the "Exceptional Company" award in Mexico due to the success of SCC's Educational Centre model.
- ✓ In Peru, SCC inaugurated the High-Performance School (COAR) in Tacna. This campus houses three hundred outstanding students of the state educational system, requiring an investment of US\$26 million through the works for taxes modality.

Sustainability



Climate Change



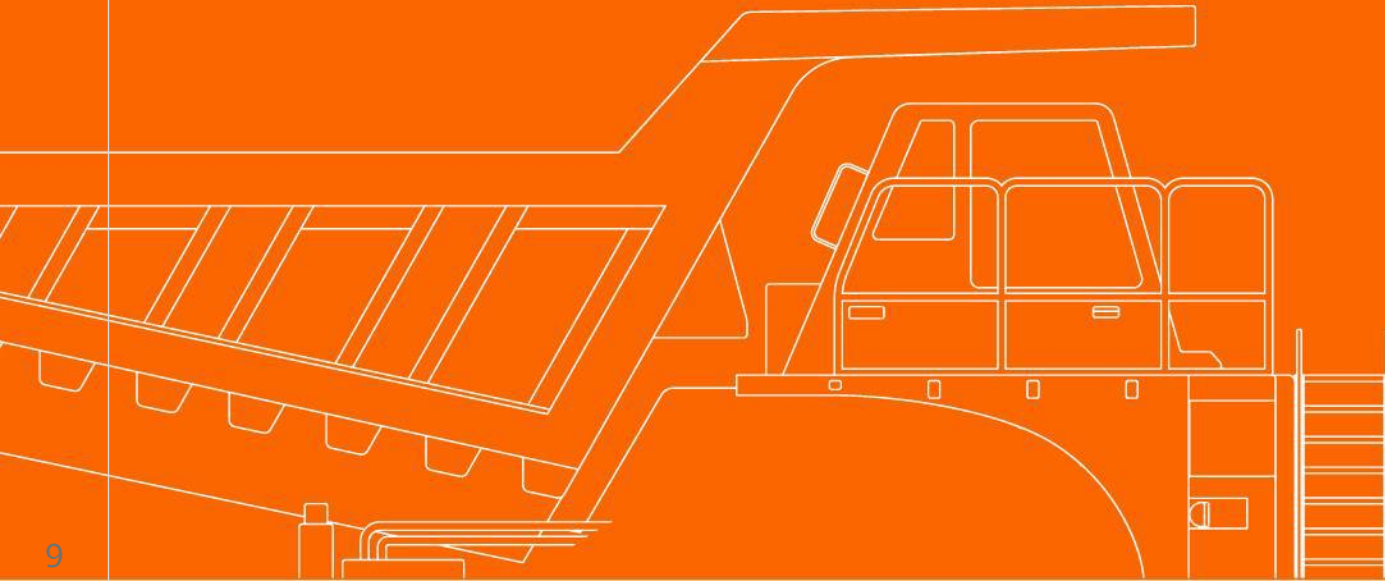
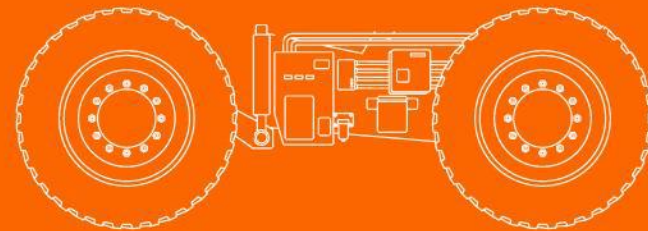
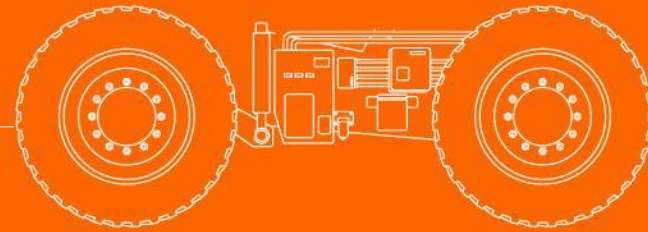
Communities





# Overview of Operations

- Company Overview
- Copper Reserves
- Geographic Footprint & Product Diversification
- Low Cost Operations
- Copper Production Cash Cost



# Company Overview

44.8 mmt

COPPER  
RESERVES <sup>1</sup>

71.9 mmt

COPPER  
RESOURCES <sup>2</sup>

CASH COST



2023:  
\$1.03 / lb

2024 ESTIMATES

@\$4.00  
x lb of Cu

Copper  
production: 949 kt  
Sales: \$10.8 B  
EBITDA: \$5.6 B  
52% of sales

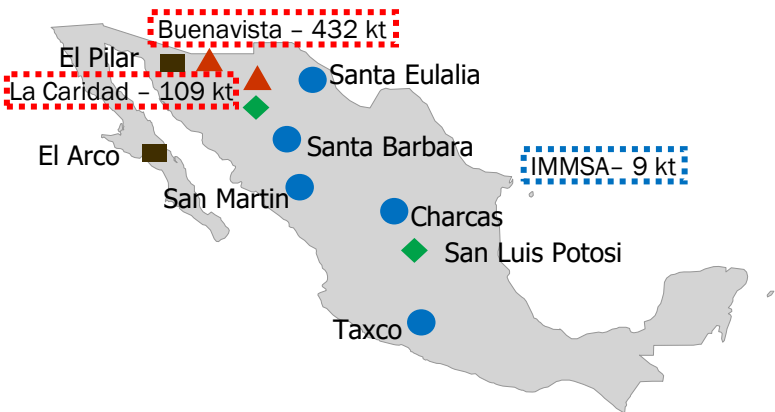
ACHIEVEMENTS



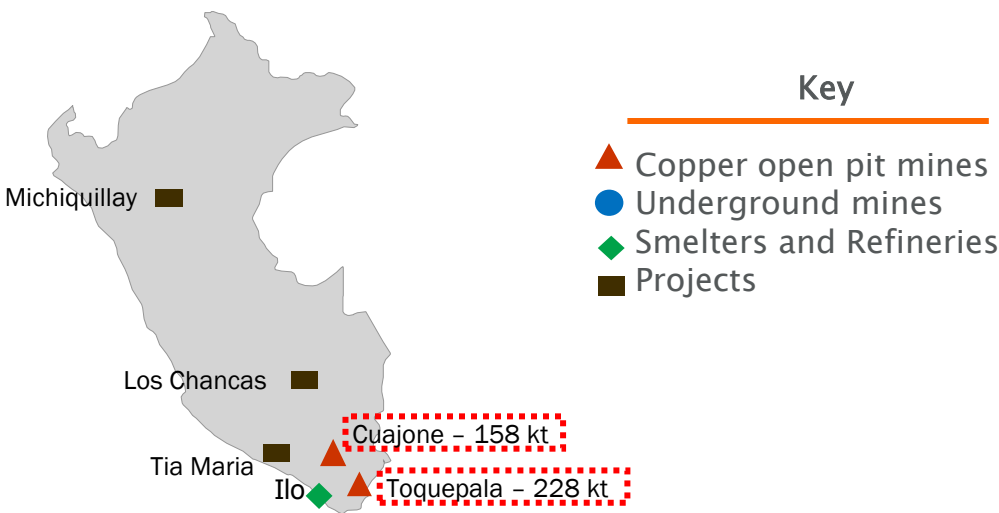
#1 Copper Company by  
reserves and resources <sup>3</sup>  
#5 Copper producer <sup>4</sup>  
#10 Copper smelter <sup>4</sup>  
#7 refinery <sup>4</sup>

Source: Company Filings  
Notes:  
1 Copper contained in reserves based on US\$3.30 per pound of copper as of December 31, 2022  
2 Resources exclusive of reserves. Copper contained in resources based on \$3.80 per pound of copper as of December 31, 2022  
3 Based on available companies reports  
4 Wood Mackenzie Limited

Mexico – 59%

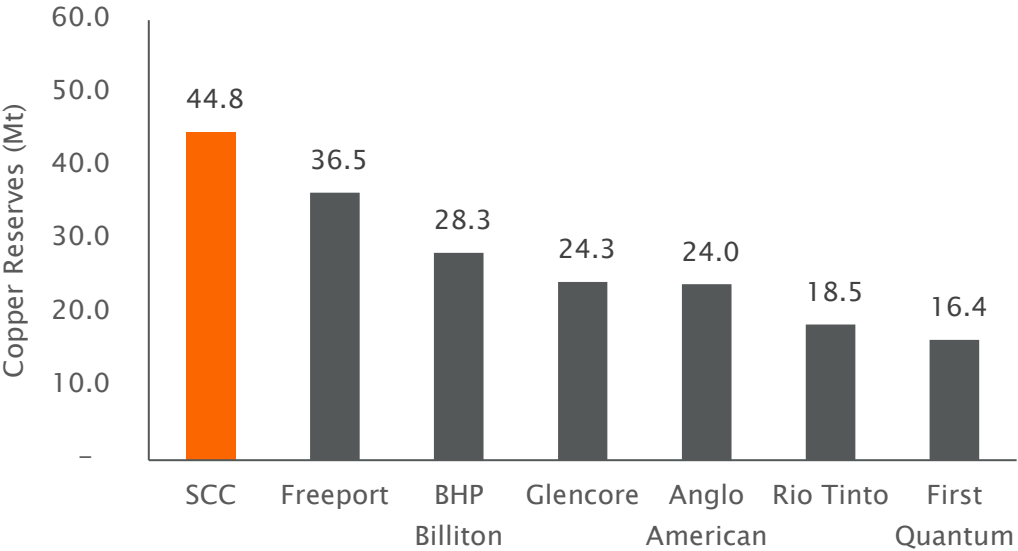


Peru – 41%



# Largest Copper Reserves of any Listed Company

## COPPER RESERVES AS REPORTED



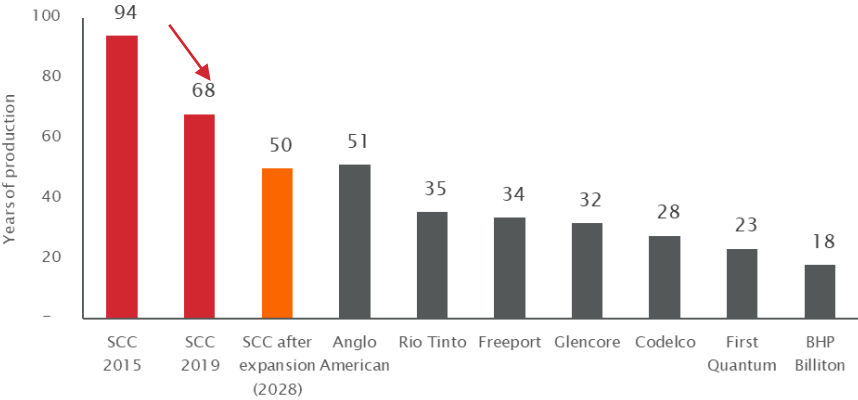
Source:  
Period:  
Cu price:

10K	10K	20F	Reserves Rep.	Annual Rep.	Annual Rep.	Annual Rep.
Dec 31, 2022	Dec 31, 2022	Jun 30, 2022	Dec 31, 2022	Dec 31, 2022	Dec 31, 2022	Dec 31, 2022
\$3.30	\$3.00	N/A	N/A	N/A	N/A	\$3.00

## SCC HIGHLIGHTS

- #1 mine life among copper producers
- #5 world's largest producer of mined copper
- Diversified geographical presence
- Four large-scale open-pit mines
- A strong pipeline of world class copper greenfield projects and several other opportunities

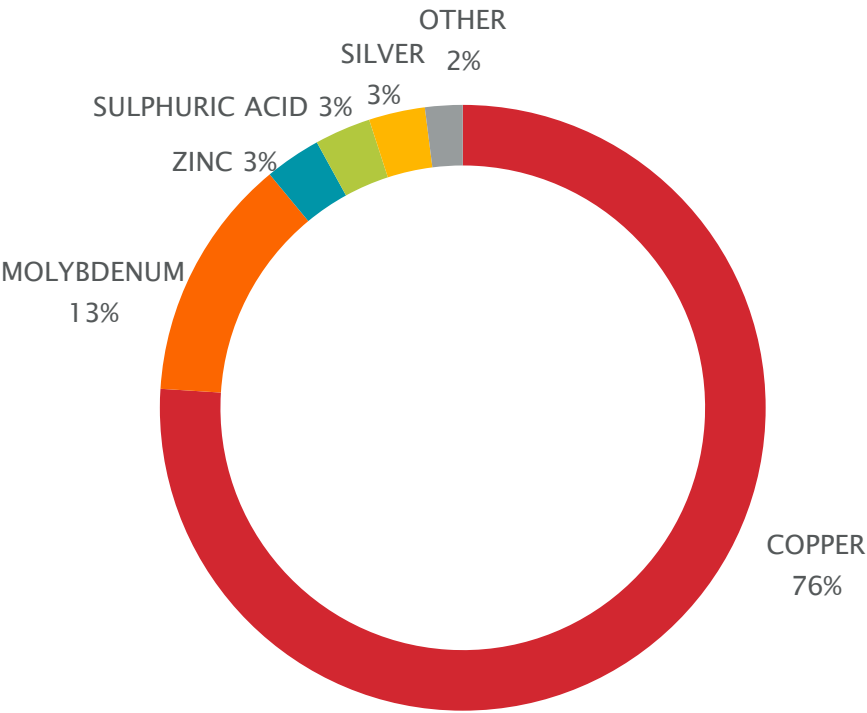
## MINE LIFE



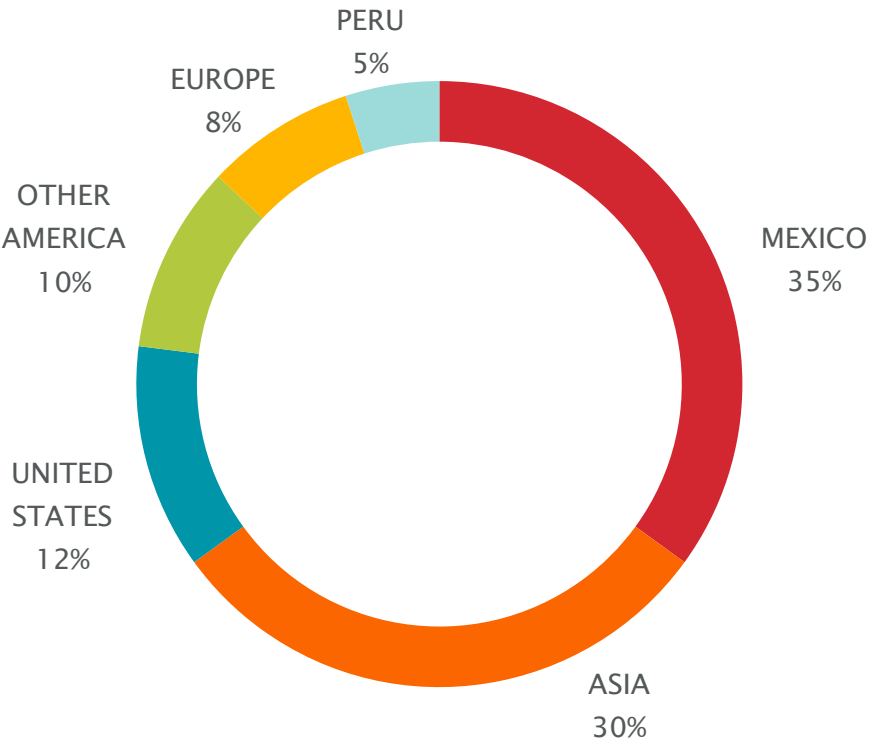


# Geographic Footprint & Product Diversification

2023 REVENUE BY PRODUCT

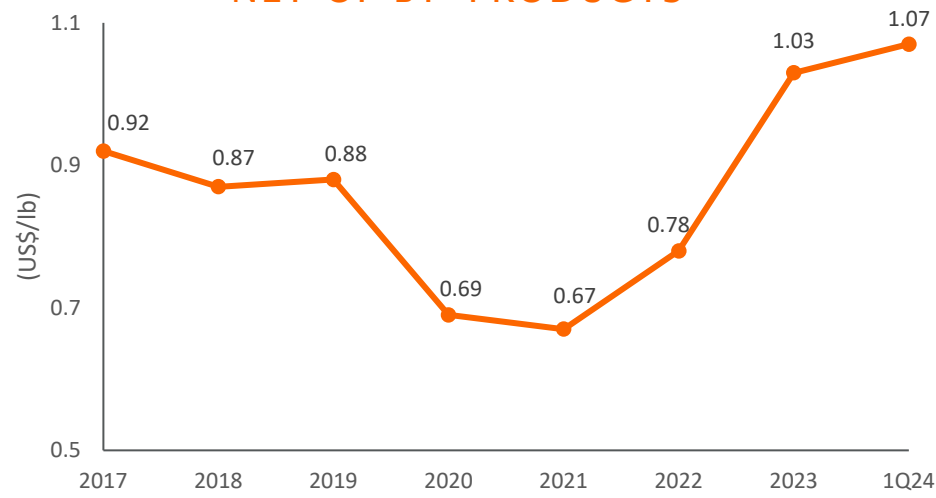


2023 REVENUE BY MARKET

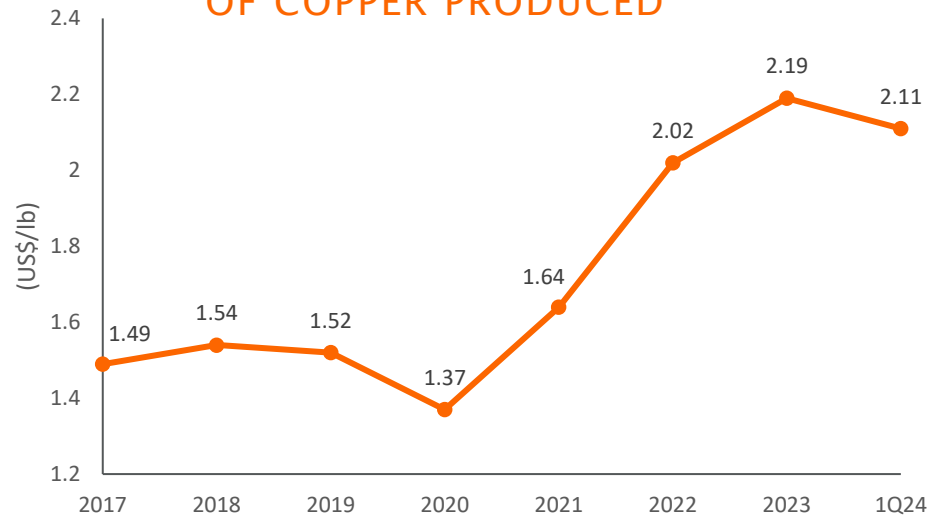


# Cost Operations

CASH COST PER POUND OF COPPER PRODUCED  
NET OF BY-PRODUCTS



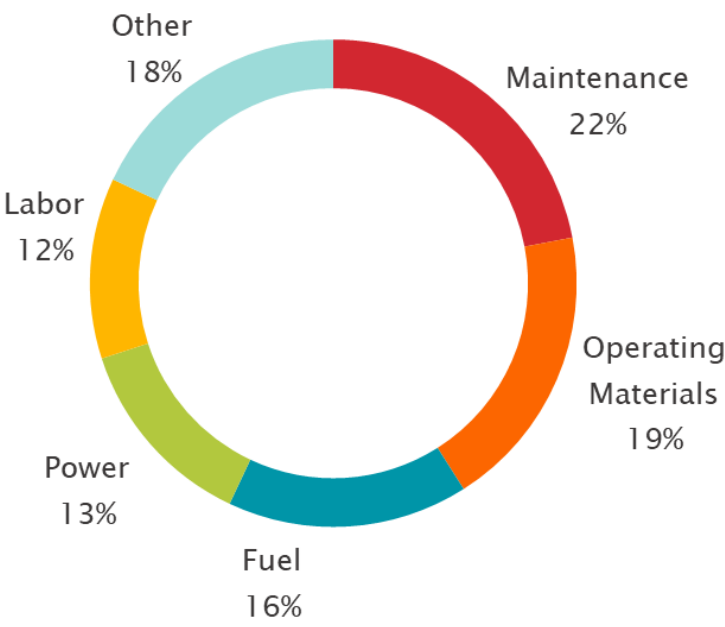
OPERATING CASH COST PER POUND  
OF COPPER PRODUCED



## LOW-COST DRIVERS

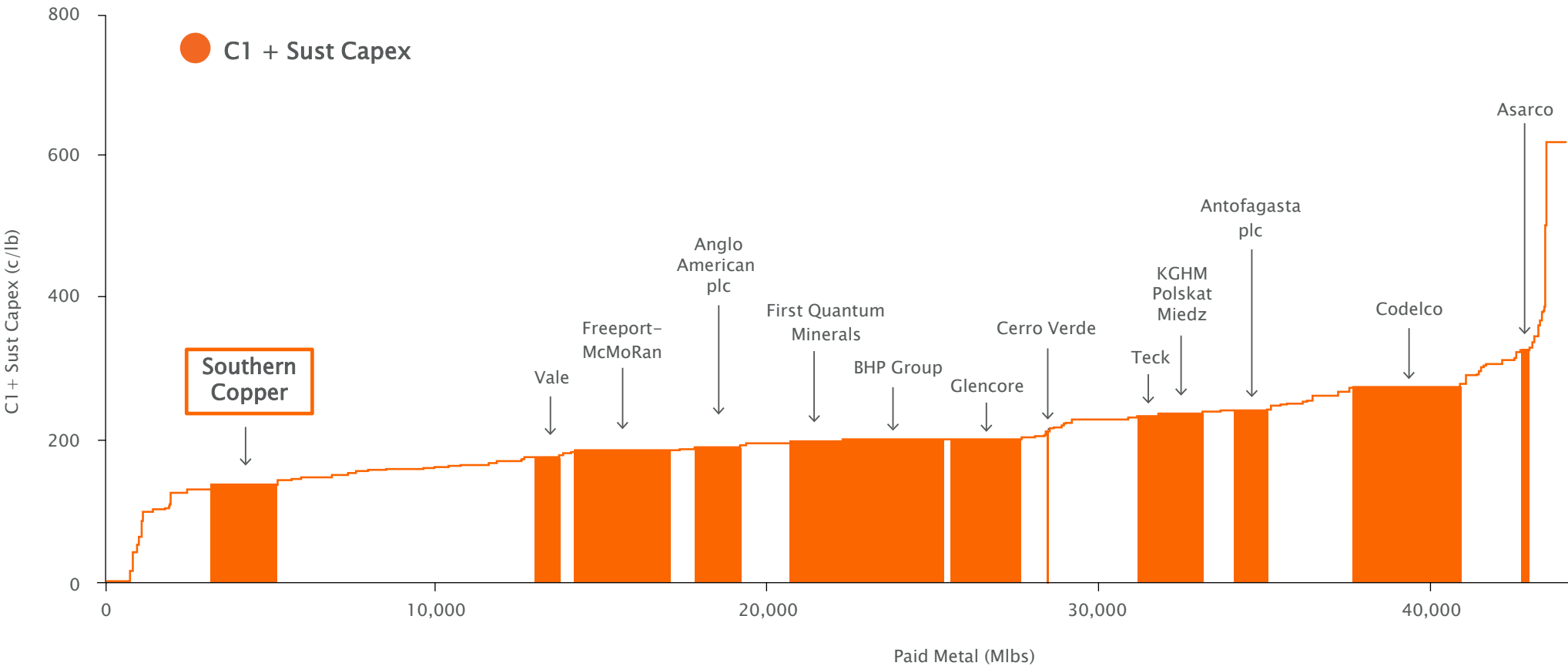
- Integrated and highly competitive cost operations.
- World class assets.
- Significant SX-EW production.
- Strong by-product credits.
- Management focus on cost efficiency and growth.

## L12M COST STRUCTURE



# Copper Mine Composite Costs Curve

2023 COPPER MINE, COMPOSITE, C1 + SUST CAPEX  
GROUPED BY COMPANY AND RANKED BY C1 + SUST CAPEX

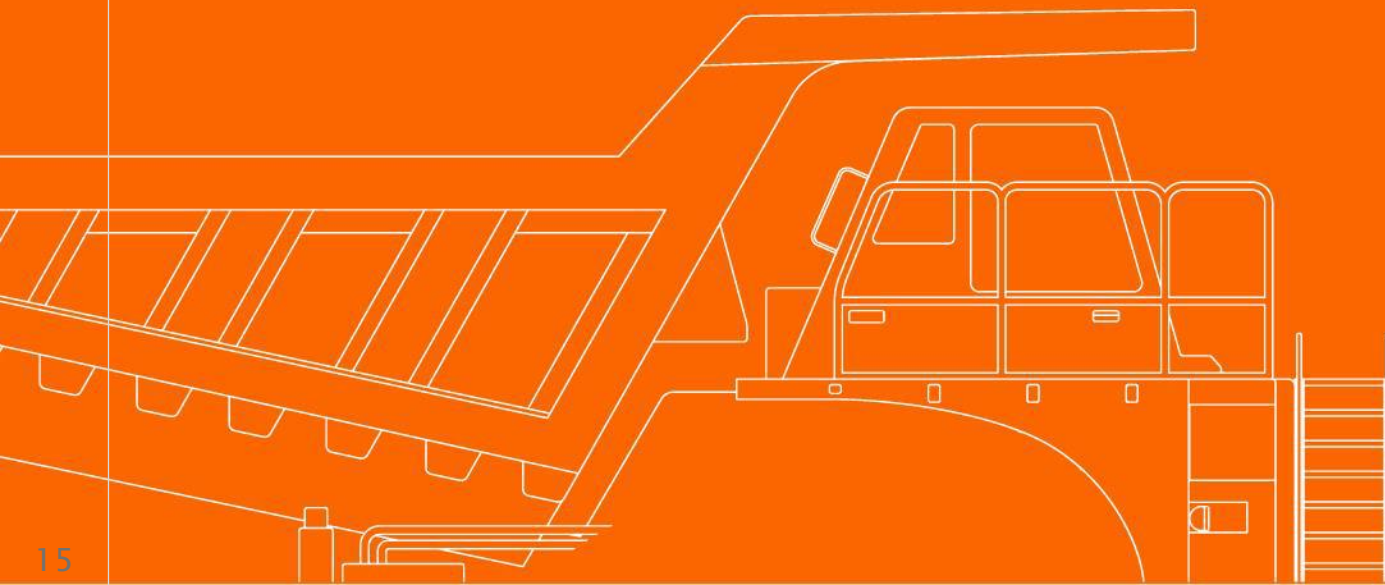
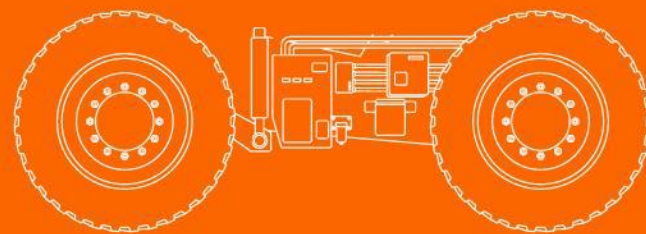
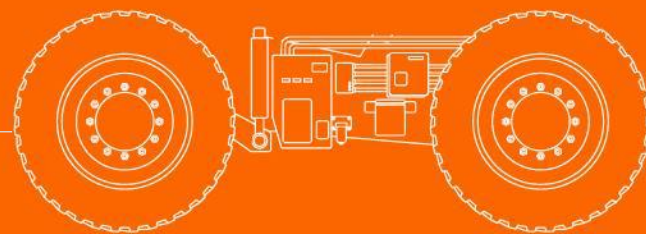


Source: Wood Mackenzie Ltd. Dataset: 2023 Q4



# Financial Overview

Financial Highlights  
Solid Financial Performance  
Investment Program  
SCC's Major Strengths



# Financial Highlights

(US\$ MM)	2020	2021	2022	2023	2024E
Copper Price (LME) US\$ per pound	2.80	4.24	4.00	3.85	4.00
<b>Income Statement:</b>					
Net Revenues	\$7,985	\$10,934	\$10,048	\$9,896	\$10,791
<b>EBITDA</b>	<b>3,869</b>	<b>6,853</b>	<b>5,365</b>	<b>5,029</b>	<b>5,617</b>
EBITDA Margin	48%	63%	53%	51%	52%
U.S. Income Tax Reform Adjustment					
Net Income	1,570	3,397	2,638	2,438	2,860
Dividends paid per share	1.50	3.20	3.50	4.00	2.00*
<b>Balance Sheet Statement:</b>					
Cash, Equivalent & Short Term					
Investments	\$2,594	\$3,489	\$2,278	\$1,751	\$4,028
<b>Total Assets</b>	<b>16,664</b>	<b>18,298</b>	<b>17,277</b>	<b>16,725</b>	<b>19,959</b>
<b>Total Debt</b>	<b>6,544</b>	<b>6,548</b>	<b>6,251</b>	<b>6,255</b>	<b>6,255</b>
Total Liabilities	9,388	10,090	9,131	9,231	9,827
Total Shareholders Equity	7,276	8,149	8,084	7,431	10,058
<b>Cash Flow Statement:</b>					
Capital Expenditures	\$595	\$892	\$949	\$1,009	\$1,162
<b>Free Cash Flow <sup>1</sup></b>	<b>2,191</b>	<b>3,400</b>	<b>1,854</b>	<b>2,564</b>	<b>2,523</b>
Dividends paid to common Shareholders	1,160	2,474	2,706	3,092	1,546
<b>Total Debt / EBITDA</b>	<b>1.7x</b>	<b>1.0x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>1.1x</b>
<b>Net Debt / EBITDA</b>	<b>1.0x</b>	<b>0.4x</b>	<b>0.7x</b>	<b>0.9x</b>	<b>0.4x</b>

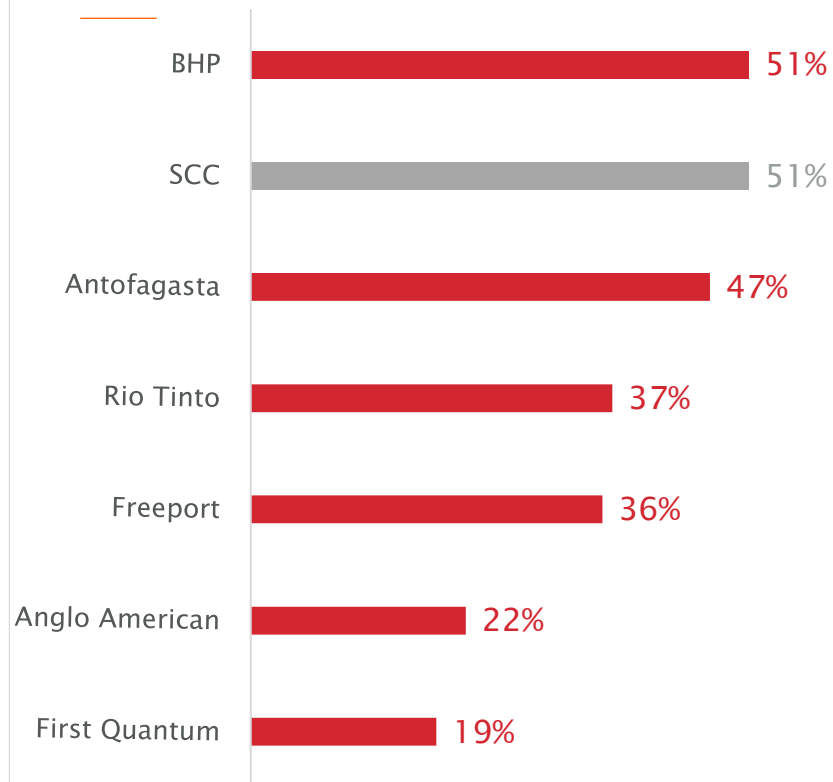
\* 1Q24 dividend in US dollars (\$1.20) calculated with a stock dividend of 0.0104 shares of common stock per share of common stock, based on a share price of \$115.13.

<sup>1</sup>Free Cash Flow defined as net cash from operating activities less capital expenditures.

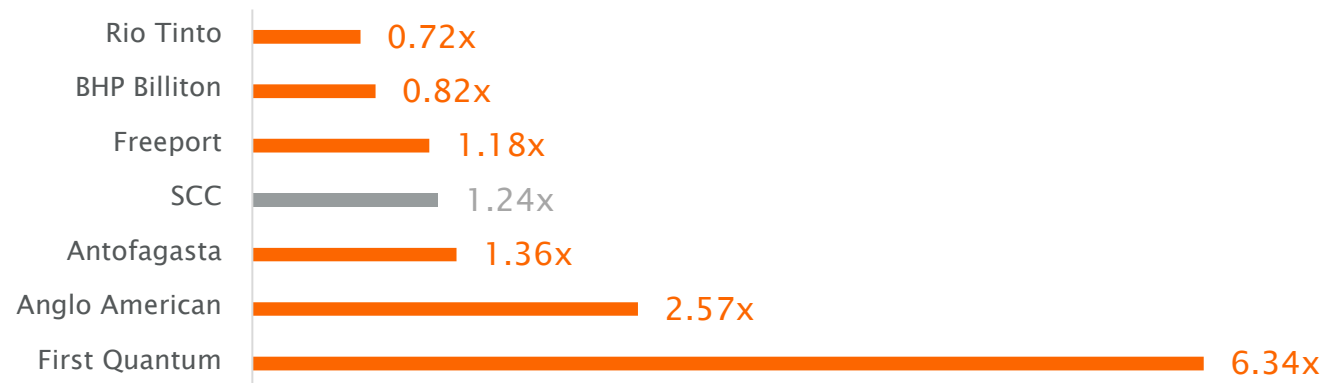
# Solid financial performance

TOP TIER MARGINS AND CONSERVATIVE LEVERAGE FOR INCREASED FINANCIAL FLEXIBILITY

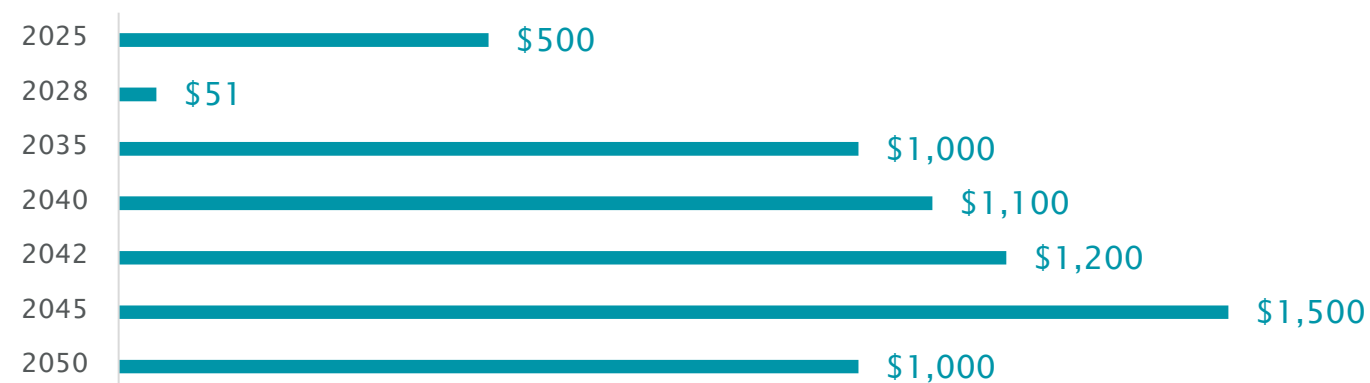
## 2023 EBITDA Margin



## 2023 Total Debt / EBITDA



## Amortization Schedule



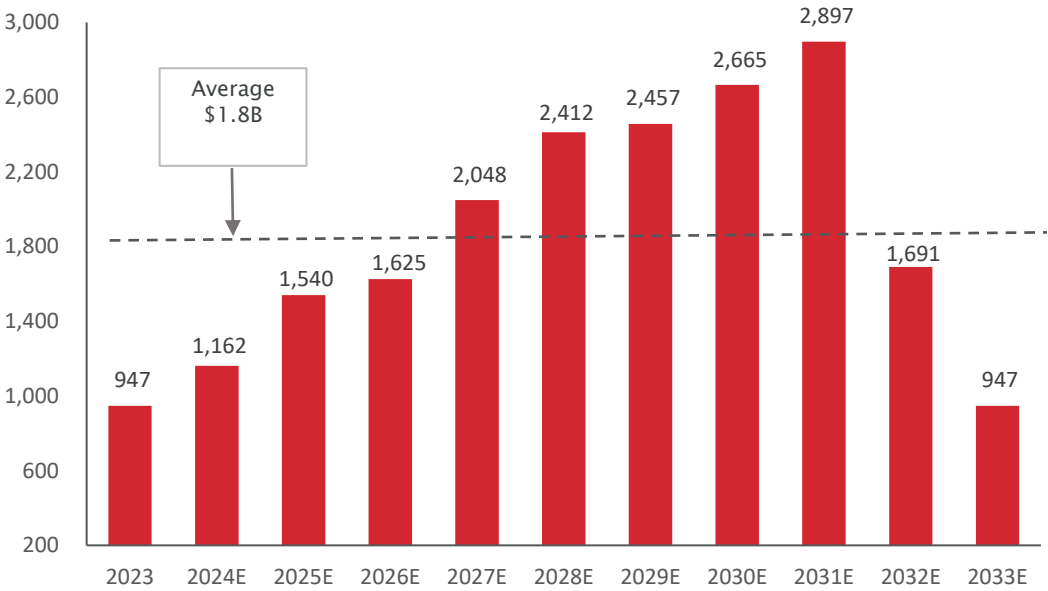


# Investment Program to Significantly Increase Production

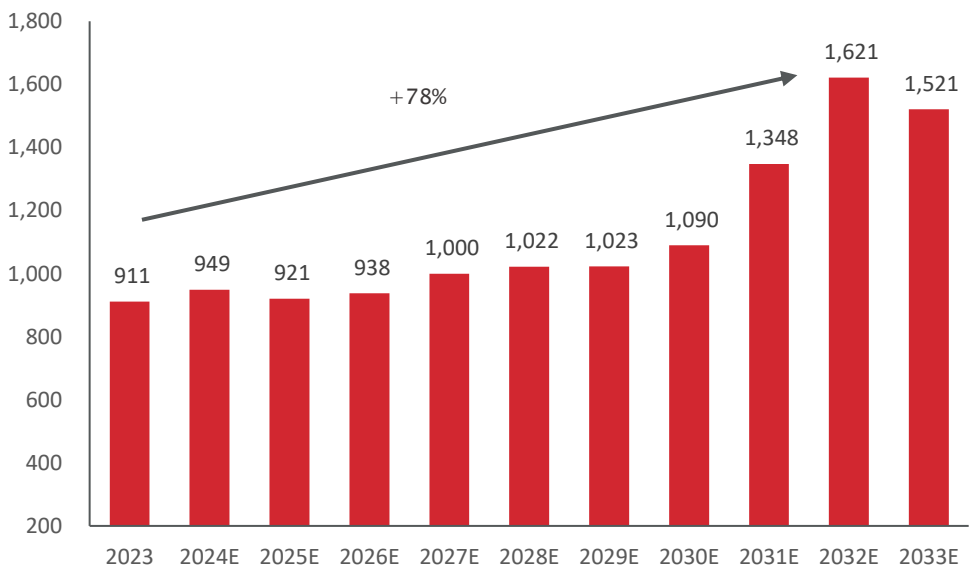


# Investment Program to Significantly Increase Production

2023-2033 CAPEX PROGRAM OVERVIEW



2023-2033 COPPER PRODUCTION FORECAST  
(‘000 MT CU)



# SCC's Major Strengths



## SCC IS THE PREMIER COPPER PLAY

- World class assets in investment grade countries.
- #1 in reserves of any listed company with various organic growth prospects.
  - Copper production heading towards 1.6M Tons by 2032.
- Investments focused on cost competitiveness and value generation for shareholders.
- Capacity to deliver projects through flexible capital structure and significant cash generation capability.
- Integrated and highly competitive cost operations. Cash cost of \$1.03 per pound in 2023.
- Outstanding dividend history. 2023 Dividend Yield 5.4%
- Experienced management team with proven track record.

## SCC EBITDA AND % MARGIN

(IN US\$ MILLIONS)

