

LATAM AIRLINES DJSI SUPPORTING DOCUMENT 2024

This document has been prepared in alignment with the economic, corporate governance, environmental, and social (ESG) disclosure opportunities proposed by S&P Global's Corporate Sustainability Assessment (CSA).

The information reported by the LATAM group in this ESG supporting document reflects 2023 results and complements the [2023 Annual Report](#), including all activities consolidated for financial reporting purposes. If there are any discrepancies in the coverage of information, we will provide an explicit explanatory note.

Conventions:

Currency: The information in this document is presented in US dollars (USD), as most of LATAM affiliates' financial statements.

Names:

- **LATAM Airlines Group:** Except in cases where the context requires it, mentions of LATAM Airlines Group refer to LATAM Airlines Group S.A., a non-consolidated operating entity.
- **LATAM:** References to LATAM, the Group, and the company refer to LATAM Airlines Group S.A. and its consolidated affiliates. These are Transporte Aéreo S.A. (LATAM Airlines Chile); LATAM Airlines Perú S.A. (LATAM Airlines Peru), Aerolane, Líneas Aéreas Nacionales del Ecuador S.A. (LATAM Airlines Ecuador); LAN Argentina S.A. (LATAM Airlines Argentina, formerly Aero 2000 S.A.); Aerovías de Integración Regional, Aires S.A. (LATAM Airlines Colombia); TAM S.A. (TAM or LATAM Airlines Brazil); Transportes Aéreos del Mercosur S.A. (LATAM Paraguay); and the cargo subsidiaries, which are: LAN Cargo S.A. (LATAM Cargo Chile); Línea Aérea Carguera de Colombia S.A. (LANCO or LATAM Cargo Colombia); and Aerolíneas Brasileiras S.A. (ABSA or LATAM Cargo Brazil). Other references to LATAM, as the context may require, refer to the LATAM brand, launched in 2016, and comprises, under one internationally recognized name, all of the affiliate brands, such as LATAM Airlines Chile, LATAM Airlines Peru, LATAM Airlines Argentina, LATAM Airlines Colombia, LATAM Airlines Ecuador, and LATAM Airlines Brazil.

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ECONOMIC DIMENSION

1.2 Corporate Governance

Success metrics for CEO compensation

LATAM uses performance indicators for the CEO's variable compensation, which are tied to financial returns. These indicators generally reflect strong financial performance, such as Adjusted EBITDAR (US\$ million), Unlevered Free Cash Flow (US\$ million), and ROIC (% Adjusted NOPAT over Invested Capital).

Long-term performance alignment

LATAM offers long-term incentives as part of the variable compensation for its CEO, with the longest granted period extending up to 42 months. This incentive is in the form of a bonus and is subject to clawback policies. To the extent permitted by applicable law, payments made under the CIP will be subject to recovery or clawback: (a) as required by law or in accordance with any applicable Employer policy; or (b) in the event the Employee breaches the restrictive covenants described above.

1.3 Materiality

Materiality analysis

To understand our double materiality analysis process, please review pages 113-115 of our [2023 Annual Report](#). This document will delve into some of the material issues that emerged from the latest process and are part of the matrix published in that report.

Materiality Issues for Enterprise Value Creation

- Sustainable Innovation:

To be a benchmark in the aeronautical industry through the implementation and dissemination of cutting-edge solutions in sustainability issues, in order to address challenges of the sector. Similarly, to promote innovative measures, like waste management and the principals of circular economy, throughout the value chain. The transition depends on suppliers, authorities and other key players that influence the operation, with whom we will seek to collaborate strategically.

Business case	Through innovative sustainability practices such as waste management and the development of circular economy principles throughout the value chain, LATAM has the opportunity to stay ahead of regulatory requirements, strengthen its reputation, and also, in the long term, generate cost savings on materials. Additionally, the adoption of these measures can attract customers and retain those aligned with circular economy focuses, as well as open new business opportunities centered on resource optimization. By involving its value chain in these processes, LATAM could strengthen its relationships with suppliers and enhance the chain's resilience to potential regulatory changes and/or consumer demands. Finally, implementing sustainable practices could amplify the cultural
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	<p>shift LATAM has been initiating for years, improving internal cohesion and reinforcing corporate identity and organizational values.</p>
Business Impact	<p>This material topic represents an opportunity for LATAM to lead in sustainability practices, enhance its reputation, attract and retain customers, and achieve cost savings through innovative waste management and circular economy strategies.</p>
Business Strategy	<p>To position itself as a leader in sustainability practices within the industry, LATAM has established collaboration as a central axis in the four pillars of its sustainability strategy. By working with NGOs, civil society representatives, suppliers, and customers, the company is developing solutions that address current social, environmental, and economic challenges in the region. In particular, LATAM has set ambitious goals in circular economy, implementing its roadmap to progressively reduce landfill waste and the use of single-use plastics. This plan includes the introduction of new operational processes, a change management program, and close collaborations with suppliers to innovate in sustainable solutions. In this way, LATAM is redefining products and services, from ground operations to flight services, both for passengers and cargo.</p>
Targets and metrics	<p>LATAM has two challenging goals, which are: to seek to be a zero waste-to-landfill group by 2027, and to eliminate single-use plastics. Along these lines, the group ended 2023 with a reduction of more than 1,700 tons, representing 96% of the scope defined by LATAM as single-use plastics.</p>
Progress on targets	<p>LATAM ended 2023 having made significant progress in the elimination of single-use plastics throughout its operation, managing to reduce more than 1,700 tons, which translated into about 96% of the scope defined by LATAM as single-use plastics, equivalent to 266 million plastic bags. The remaining 4% corresponds to those elements that could not be replaced or eliminated for legal, safety, sanitary or operational reasons, or because there were no replacement options available on the market. The group will continue to work on finding solutions to reduce its waste, replace materials for reusable, recyclable, and/or biodegradable ones, expanding its scope and strengthening its awareness of its waste.</p>
Executive compensation	<p>The compensation variables for the Director of Corporate affairs and sustainability are directly linked to the goal of eliminating "single-use" plastics defined in the operation and implementing the waste management system (15%)</p> <p>These goals are shared with our CEO of LATAM Cargo and our VP of Experience, which incentivizes fostering a culture of sustainability across the organization, bringing us closer to our goals.</p>

- Climate Change Strategy:

We seek to mitigate the climate impact, ensuring the continuity and resilience of the operations through the implementation of climate change adaptation measures.

Business case	<p>Our business may be adversely affected by the consequences of climate change: There are regulatory risks associated with the management of climate change in the short and medium term, due to the fact that, in an effort from different countries to contribute to the fight against climate change, there is a tendency to impose economic instruments such as carbon taxes or emissions trading systems that seek to regulate emissions from different industries, including the aviation industry. These mechanisms seek to discourage the consumption of fossil fuels, through imposing an additional cost. However, in the case of the airline industry, especially in the South American region, there is no viable substitute fuel that would allow the industry to migrate to other types of fuels. The related risks present an opportunity to work hand in hand with the relevant governments to implement public policies allowing for progress in the production of sustainable aviation fuels in the region, thus promoting the migration away from fossil fuels and creating policies and instruments relevant to industries such as aviation, which currently has no substitute fuel available in South America. In the long term, there are physical risks associated with climate change, including the risk for greater intensity of meteorological phenomena, such as storms, tornados, hurricanes, floods and others, which in turn may pose a risk to infrastructure (destinations, airports) and communities. As a consequence, it may be necessary to modify routes and destinations, which in turn may affect our business and results of operations.</p>
Business Impact	<p>The climate strategy is crucial for LATAM to mitigate regulatory and physical risks from climate change, such as carbon taxes and extreme weather, and to collaborate on developing sustainable aviation fuels and resilient infrastructure.</p>
Business Strategy	<p>LATAM has established alliances that not only involve purchasing carbon credits for compensation but also actively participating in the conservation and restoration strategies of the projects generating these credits. Our significant conservation initiatives target vulnerable ecosystems in Latin America, aiming to cooperate in reducing deforestation and forest degradation, as well as creating compensation projects for our emissions in critical regions.</p> <p>We have engaged with our customers in offsetting emissions generated by their air travel. Moreover, we are on a mission to collaborate in the development of alternative fuels, specifically Sustainable Aviation Fuels (SAF). All of this complements our Fuel Efficiency plan, which seeks to reduce our carbon footprint.</p> <p>In addition, we have incorporated the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to develop consistent disclosures of climate-related financial risks.</p>
Targets and metrics	<p>To manage its carbon footprint and contribute to the protection of strategic ecosystems in the region, LATAM has set a commitment to reduce and offset the equivalent of 50% of domestic emissions by 2030 and be carbon-neutral by 2050.</p>

Progress on targets	<p>In 2023, emissions totaled 14,624,405 tons of CO₂ e—a 12.7% increase compared to 2022. This growth was mainly due to the recovery of operations, which are approaching pre-pandemic levels. In fact, considering that LATAM passenger operations grew by 20.5% and the amount of cargo transported increased by 4.9% compared to the previous year, emissions intensity was reduced by 5% in its total footprint and 0.5% in its scope 1, measured in kgCO₂ e/100RTK. This reduction in Scope 1 emissions intensity is mainly explained by the measures implemented within the framework of the LATAM Fuel Efficiency program and the fleet renewal plan. In turn, the reduction in total footprint intensity is mainly explained by the decrease in Scope 3 emissions, which fell by 3.2% to 2022. In turn, in view of its commitment to carbon-neutral growth in its direct emissions (Scope 1) compared to 2022, in 2023, LATAM group offset 674,513 tons of CO₂ e through carbon credits from preservation projects. Mainly from the project located in the Orinoco Region (Colombia¹) of the BioCarbon Registry, which uses the BCR0002 methodology (Quantification of GHG Emission Reductions from REDD+ Projects).</p>
Executive compensation	<p>The compensation variables for the Director of Corporate affairs and sustainability are directly linked to the goals related to fuel efficiency (related to our fleet efficiency), climate change initiatives and conservation projects. (15%)</p>
	<p>These goals are shared with our CEO of LATAM Cargo, which incentivizes fostering a culture of sustainability across the organization, bringing us closer to our goals.</p>
	<ul style="list-style-type: none"> • <u>Fleet Efficiency:</u>
	<p><i>Advance in fleet renewal and the incorporation of technological improvements in our aircraft, focusing on reducing fuel consumption to improve flight planning, reduce emissions and avoid service interruptions caused by extended periods of aircraft maintenance.</i></p>
Business case	<p>Fleet renewal and modernization allow LATAM to reduce fuel consumption, significantly lowering one of its main operational costs. The integration of advanced technologies not only enhances fuel efficiency but also optimizes flight planning, reducing the risk of delays and cancellations that can impact revenue and customer satisfaction. Additionally, a modern and well-maintained fleet minimizes the risk of operational disruptions due to extended maintenance, ensuring a more stable and reliable operation. This leads to a greater ability to meet market demand, improve customer experience, and maintain a competitive edge. Fleet modernization also contributes to emission reduction, supporting the company's sustainability goals and strengthening its position in an increasingly environmentally-focused market.</p>
Business Impact	<p>Fleet efficiency is crucial for LATAM as it directly reduces fuel consumption and operational costs by integrating modern, fuel-efficient aircraft and advanced technologies, thereby lowering overall expenses and enhancing profitability. This is especially challenging in a context where the group depends on a limited number of suppliers for certain aircraft and engine</p>

Business Strategy	LATAM is implementing a strategic fleet renewal plan, replacing older aircraft with newer, more fuel-efficient models. Additionally, the group has route planning strategies and is continually integrating state-of-the-art technologies into its aircraft, such as more efficient engines, advanced flight management systems, and lighter materials, which enhance operational efficiency and mitigate environmental impact.
Targets and metrics	Achieve a fleet of 354 aircraft by 2026.
Progress on targets	LATAM closed 2023 with a fleet of 333 aircraft. During 2023 LATAM received 30 aircrafts (5 wide-body and 25 narrowbody).
Executive compensation	A portion of the Fleet Director's variable compensation is determined based on the fleet expansion and renewal plan. Additionally, both the Fleet Director and the Corporate Affairs Director have targets related to fuel efficiency and fleet optimization.

Materiality Issues for External Stakeholders

- Connectivity and regional development

Drive the social, environmental and economic development of South America through connectivity and tourism. We seek to contribute through the business and what we know how to do: connect.

Topic relevance on external stakeholders	The connectivity provided by LATAM boosts tourism throughout South America, stimulating regional economic development and promoting employment, cultural exchange, and growth of local economies. Through the Shared Value pillar of its sustainability strategy, LATAM also contributes to access to essential services through the Solidarity Plane program. This initiative leverages LATAM's infrastructure, connectivity, and transport capacity to support critical health needs, such as the transport of medicines, organs, and vaccines, as well as professionals and patients. This effort reinforces equity in healthcare and demonstrates LATAM's commitment to the well-being of the communities it serves.
Materiality metrics	In 2023, LATAM transported 4,558 patients and health professionals, significantly improving access to treatment and enhancing quality of life through medical interventions such as transplants. These efforts had a notable impact on health outcomes and quality of life years gained.

- Ecosystem protection

Develop programs that promote the protection, conservation and rehabilitation of ecosystems and their biodiversity. As an established airline in South America, our contribution focuses primarily on preventing wildlife trafficking, as well as seeking nature-based solutions through collaborative work to protect the region's ecosystems, understanding their fundamental role in carbon sequestration.

Topic relevance on external stakeholders	As part of LATAM material topic, 'Mitigating climate change,' the airline also makes a positive impact on nature and communities through its triple-impact program, 'CO2BIO.' Unlike other offset projects, CO2BIO stands out for its ability to generate environmental, social, and economic co-benefits for local communities. Currently, 191 families are committed to preserving a strategic ecosystem covering over 200 thousand hectares, home to more than 2,284 species. They are certified to trade carbon credits. CO2BIO presents a unique opportunity to combine skills and resources to combat climate change and achieve our goal of fully offsetting 100% of our air and land operations in Colombia. We also aim to make CO2BIO a competitive project for access to the international voluntary carbon market.
Materiality metrics	LATAM's efforts resulted in the conservation of over 310,000 hectares, significantly impacting the preservation of fauna and flora. This achievement is valued for its contribution to the protection of more than 2,284 species.

1.4 Risk Management

Risk management processes

Risk review

Our complete list of risk factors is published in our Annual Report and 20-F, available on [our investor relations website](#). The impact and likelihood levels for two of our company's risks are presented below.

Risk	Description	Impact
Climate Change	Our business may be adversely affected by the consequences of climate change. <i>Please read page 150 in our 2023 Annual Report</i>	4
Cybercrime	Disruptions or security breaches of our information technology infrastructure or systems could interfere with the operations, compromise passenger or employee information, and expose us to liability, which may adversely affect our business and reputation. <i>Please read page 147-148 in our 2023 Annual Report</i>	4

Risk culture

Incorporation of risk criteria in the development of products and services

A risk analysis is performed each time the company initiates a new operation or modifies the conditions of an existing operation (for example a change of airplane). This analysis identifies potential undesirable conditions so that action plans can be implemented, in order to maintain the operation on an acceptable level of safety. The analysis is done through the Change Management Analysis Procedure (attached) that is part of the LATAM SMS, whose main objective is discover the hazards that exist in the changes (both internal and external to the Company), evaluate them and generate the barriers required that to be implemented in the operational areas and mitigate those risks that represent a level that is not acceptable to the Company.

Financial incentives which incorporate risk management metrics

The LATAM Group has financial incentives that integrate risk aspects for both senior executives and line managers. Specifically, 10% of the annual goals for senior executives, including the VP of Operations, Safety, and Maintenance, as well as department line managers in the "Operations, Safety, and Maintenance" area, are tied to Safety KPIs.

Emerging Risks

1. Political instability in major oil-exporting countries which cause fluctuations in jet fuel:

Description: Both the cost and availability of fuel are subject to many economic and political factors and events that we can neither control nor predict, including international political and economic circumstances such as the political instability in major oil-exporting countries. Any future fuel supply shortage, a disruption of oil imports, supply disruptions (i.e., conflict in the Middle East, Ukraine; new geoeconomics contexts such as BRICS, and incorporation of countries controlling major world oil production), or other events could result in higher fuel prices or reductions in scheduled airline services. We cannot ensure that we will be able to offset any increases in the price. In addition, lower fuel prices may result in lower fares through the reduction or elimination of fuel surcharges

Potential impact: Higher fuel prices: Higher jet fuel prices could have materially affect business, adverse on financial condition, and results of operations *i.e., Reductions scheduled airline services. Lower fuel prices: may result in lower fares through the reduction or elimination of fuel surcharges.

Mitigating actions: LATAM carries out hedges on NYMEX Heating Oil, whose underlying asset is included in the Fuel Risk Hedging Policy, given its high correlation with Jet Fuel 54. The Fuel Hedging Policy sets a minimum and a maximum hedging range for the group's fuel consumption, based on the capacity to pass through fuel price variations to airfares, anticipated sales, and the competitive scenario. Moreover, this Policy sets hedging zones, a premiums budget, and other strategic restrictions that are assessed and presented periodically before the LATAM Finance Committee. With regard to fuel hedging instruments, the Policy makes it possible to contract combined Swaps and Options only for hedging purposes and does not allow the net sale of options.

2. Greater intensity of meteorological phenomena:

Description: Our business may be adversely affected by the consequences of climate change. There are physical risks associated with climate change, including the risk for greater intensity of meteorological phenomena, such as storms, tornados, hurricanes, floods and others, which in turn may pose a risk to infrastructure (destinations, airports) and communities.

Potential impact: Can affect aircraft take-off / landing, cause delays and cancellations, or even cause total interruption of ground operations. As a consequence, it may be necessary to modify routes and destinations.

Mitigating actions: The Integrated Safety Management System, which incorporates the Security, Health, Safety and Environment (HSE) and the Emergency Response Plan, includes a process to periodically review and identify new/emerging risks. As well, LATAM implements a monitoring system, based on the International Air Transport Association Environmental Assessment (IEnvA) certification, for climate variables within its risk identification processes. This maps the possible environmental impacts of the company's activities. Additionally, in 2023 LATAM conducted its first climate risk and opportunity analysis to identify, prioritize, and assess how climate-related risks and opportunities could impact the company's business in the short, medium, and long term. To determine the main physical and transitional risks and opportunities to which LATAM could be exposed, a review of the most relevant issues for the air travel sector is in the process of being carried out, along with a scenario analysis.

1.5 Business Ethics

Corruption and Bribery

Since the creation of the [Political Contributions Policy](#), LATAM Airlines has not made any contributions of any kind to political parties, political party officials, or candidates for public office. This encompasses all direct or indirect political contributions, as well as donations that could serve as a means of bribery or corruption.

Codes of Conduct: Systems and Procedures

- Compliance is linked to employee remuneration:

The Compliance system at LATAM demonstrates its commitment to integrity and ethics by linking the remuneration of certain key positions, such as the Vice Presidency of Legal Affairs and Compliance and the Internal Audit Directorate, to specific indicators related to Compliance. In the case of the Internal Audit Directorate, part of their short-term (annual) performance incentive is based on the improvement of internal control. On the other hand, in the legal area, a portion of Compliance indicators, such as the Code of Conduct and the Confidential Channel, are reflected in the KPIs that directly impact employee compensation.

- Employee performance appraisal systems integrate compliance/codes of conduct:

The performance evaluation at LATAM includes a competency assessment section that is expected to be fulfilled company-wide. Compliance is one of the key behaviors evaluated as part of the 'Security and Risk Management & Compliance' competency. It specifies that the individual must exhibit behavior aligned with the code of conduct, in addition to policies and procedures that impact LATAM's security, understanding that their actions have an impact on customers, processes, facilities, and the environment.

- The compliance program is certified by a third party:

LATAM Airlines Group has certified its Crime Prevention Model with a third party, 'MC Compliance S.A.,' and this certification includes the proper functioning of the group's Confidential Channel. Furthermore, the company is currently undergoing a new review of its Crime Prevention Model with Deloitte, which, in addition to identifying existing gaps, it will provide guidance on incorporating recent regulatory changes introduced by Chilean Law No. 21.595 (Economic Crimes Law) into the company's model and policies.

These processes encompass the LATAM's Code of Conduct and various relevant internal documents for compliance processes, such as statutes, risk matrices, crime prevention policy, related policies, and the organization's Confidential Channel, among others.

1.6 Policy Influence

Contributions and other spending

LATAM group participates, through memberships, in representative agencies that promote initiatives for strategic debate and the joint construction of solutions. It also collaborates in the discussion of public policies and regulations relevant to the sector. In fact, In 2023, financial contributions to the different agencies totaled USD\$1,829,742. All of these amounts went to trade associations. LATAM did not make any contributions for lobbying, interest representation, political campaigns, or organizations/candidates at local, regional, or national levels, nor for any other similar activities.

1.7 Supply Chain

Significant Supplier: A "Significant Supplier" for the LATAM Group is defined as one that either represents a high percentage of the company's spending ("strategic"), could cause a significant impact on the continuity of operations if their services were discontinued ("critical"), or presents risks related to compliance (corruption, bribery, money laundering, or other crimes), technological risks (i.e. cybersecurity), environmental issues (environmental crimes), or social concerns (child labor, forced labor, financing of terrorism, or similar issues).

Supplier ESG Program

While the LATAM Group has been implementing measures to integrate compliance, economic, technical, social, and environmental focuses by country, it is now looking to go further by working on the implementation of a new Sustainable Supplier Program, under the oversight of the Director of Procurement and the Director of Corporate affairs and Sustainability. This program aims to:

1. Identify, manage, and mitigate ESG risks by applying a risk hierarchy that allows for effective control and market visibility. Additionally, it will establish decision-making oriented towards prevention or mitigation needs.
2. Contribute to regulatory compliance by adhering to the new requirements of Chilean General Standard 461, which, through the CMF, demands greater disclosure regarding the company's supplier management.
3. Enhance organizational excellence by integrating best practices from the market, achieving continuous improvement not only within the organization but also throughout the supply chain with an ESG focus.

While the full program has not yet been launched, significant progress has already been made. One example is the development of a support matrix for its purchasing departments, which considers various key aspects that will promote sustainability when initiating a tender for new materials or services. For instance, these aspects include whether the supplier has a public or internal environmental policy, a formalized and/or certified environmental management system, a sustainability policy that applies ESG criteria, manages programs to reduce its carbon footprint, holds certifications or seals that support waste reduction practices or proper landfill diversion management, and offers recyclable or compostable materials. Additionally, each negotiator or buyer may include further specifications based on the specific requirements of the procurement process.

Another initiative already operational within the LATAM group focuses on material procurement. As highlighted in our 2023 Annual Report (pages 83-85), under the 'Zero Waste Roadmap' to meet LATAM Group's Circular Economy commitments, a guideline has been developed to steer material purchasing. This guideline helps buyers integrate criteria that reduce single-use plastics in operations.

In the future, the LATAM Airlines Group also aims to strengthen supplier development by providing best practices from other industry leaders, based on the results obtained from the evaluated suppliers. Support initiatives such as workshops, meetings, and training sessions will be defined once the LATAM Airlines Group has a clear diagnosis of each evaluated supplier's needs. With the implementation of the initiatives outlined in the ESG program, the LATAM Airlines Group expects to provide guidance and support to suppliers on sustainability matters.

Supplier information and training on the company's supplier ESG program, process, and requirements:

In September 2023, training sessions on the new sustainability guidelines, which were integrated into the updated procurement policy, were conducted across multiple countries where the LATAM Group operates. Over 100 participants from various teams responsible for selecting products and suppliers attended these sessions, ensuring their decision-making aligns with the updated policy. Additionally, in 2024, the new ESG Supplier Program was introduced to the teams leading supplier relations, emphasizing the critical importance of their roles and how they contribute to achieving the LATAM Group's goals.

In 2023, teams in Colombia from LATAM Airlines Colombia held full-day meetings with contractors to discuss expectations, including local regulations and requirements, as well as operations within airports. Additionally, LATAM's sustainability strategy was presented. These sessions aim to foster improvements and strengthen relationships with suppliers.

On the other hand, in Brazil, the LATAM Airlines Group which operates through LATAM Airlines Brazil is supported by the company Bernhoeft which continuously assists suppliers with information about their registration process. Additionally, Bernhoeft holds presentation meetings where general explanations about the evaluation process and improvements are provided to the suppliers in that country.

Supplier Screening

Choosing each supplier is an opportunity to forge solid and collaborative relationships, making careful selection especially relevant. For this purpose, the LATAM Airlines Group has a specialized team that performs a comprehensive analysis of each candidate using technological systems, primarily considering their technical and economic qualifications.

It should be noted that the LATAM Group does not limit its choice of suppliers based on their origin from a particular country, sector, or raw material¹. However, specific risks associated with these factors are taken into account. For example, as part of our screening process, LATAM Airlines Group's Compliance team uses a platform that assists in identifying supplier risks and includes a country-specific database. The evaluation also incorporates a conflict of interest declaration, where

¹ The information integrated into this ESG supporting document complements the details reported in our [2023 Annual Report](#). Please also review page 110 of this document (under the title "Supplier Selection").

the Compliance team actively analyzes and raises alerts if any conflicts arise, allowing the group to minimize risk exposure. This technological system leverages a vast array of constantly updated data sources to build profiles, integrating associated entity data, sanctions data, and enforcement data sources to support in the screening process, improving risk identification for the group.

On the other hand, from the perspective of raw material risks, LATAM takes specific measures regarding its principal risk associated with fuel purchases. When evaluating fuel suppliers, the Fuel Negotiations team considers various international standards, such as those established by the ILO, ensuring that suppliers comply with occupational health and safety regulations at their facilities to prevent accidents and work-related illnesses. The team also focuses on compliance with hazardous waste management, climate risks, and impact management within the supply chain.

Also part of this process is the Cybersecurity team, which supports the identification of technological risks by analyzing every supplier that has access to LATAM's technological infrastructure. The team uses an intelligent questionnaire available in three languages, comprising around 20 questions and requiring mandatory evidence. This allows for the classification of suppliers based on the analysis results. Based on these results, timelines for the next review are defined, and technical reports are issued. Additionally, if a high level of risk is identified, the case is escalated to the supplier committee for decision-making. Furthermore, there are processes in place to provide improvement opportunities to suppliers, as well as control mechanisms for periodic monitoring, ensuring a controlled risk level is maintained."

These systems enable LATAM to comply with its Procurement Policy for supplier selection, which states the following:

"The supplier to be contracted must not present any compliance contingencies or risks, meaning they must not have any history related to corrupt, prohibited, and/or illegal actions, especially those classified by international or local laws regarding economic and environmental crimes, anti-corruption, such as bribery, money laundering, or terrorist financing, the use of child labor, slave labor, or labor analogous to slavery, among others. Additionally, they must expressly acknowledge and commit, through a signed declaration, to comply with the Anti-Corruption Policy, the Third Party and Intermediary Code of Conduct, and other internal compliance regulations of the LATAM Airlines Group, as well as undergo the Due Diligence process".

Supplier Assessment

Please review page 110 of our [2023 Annual Report](#) to understand our supplier evaluation system (under the title "Supplier Evaluation"). The following are additional measures implemented by the LATAM Airlines Group for supplier assessment.

Cybersecurity: LATAM's supplier evaluation process also incorporates cybersecurity criteria. The Cybersecurity team conducts surveys with various criteria to categorize suppliers based on their risk levels. The survey includes mandatory questions requiring suppliers to attach relevant documents, such as certifications (SOX, IATA, ISO, etc.). This ensures that suppliers meet the necessary cybersecurity standards and helps LATAM effectively manage potential risks associated with their cybersecurity practices.

Environmental compliance: In 2023, the LATAM Airlines Group conducted inspections, drills, and internal audits to strengthen the action plans required for various operations. These activities also helped identify emerging regulations, which have been integrated into the compliance matrix to ensure they are addressed in a timely manner. The inspections included critical ground support

suppliers, who play a significant role in the company's environmental management system. These suppliers were required to submit documentation such as waste management permits, chemical substance training records, manifests for waste transport and final disposal, and health and/or operational permits when legally required. In the event that improvement opportunities are identified with a supplier, they are provided with action plans that are monitored through monthly meetings to address and mitigate risks. This rigorous approach ensures that environmental compliance is maintained across all aspects of LATAM's operations.

LATAM Brasil: The Third-Party Management team within Procurement Brasil performs a proactive and comprehensive review of suppliers' documentation, including legal, financial, and occupational health and safety records, with the support of the third-party management provider Bernhoeft. Currently, this process oversees 35 suppliers across 9 categories and manages approximately 156,000 documents per month to minimize risks and anticipate potential conflict with LATAM's standards. This initiative is being expanded to eventually include all suppliers across Brazil. Additionally, the internal LATAM team supports and reviews each KPI, which is then presented to category managers for decision-making. In some cases, this involves generating corrective actions, which may include improvement plans, field visits, or even termination of business relationships for non-compliance. If improvement plans are applied, they are specifically designed to address the gaps identified during the evaluation, which may involve updating documentation, providing training, or other measures to regularize the supplier.

Standards used for supplier evaluation and audits

Just as in Chile external audits are conducted for suppliers following the DS594 guidelines, other countries apply audits to verify compliance with labor regulations under their local standards. For example, in Brazil, regulatory standards (NR01, NR05, NR06, NR10, NR12, NR17, NR20, NR33, NR34, NR35) are applied, which establish mandatory procedures related to occupational health and safety. Similarly, in Colombia, the General System of Occupational Safety and Health (SG SST) is adhered to, in accordance with Article 28 of Resolution 0312 of 2019. For these certifications, LATAM Airlines Group typically relies on specialized external organizations within each country.

KPIs for Supplier Assessment and/or Development

Below is an update to the information from the [2023 Annual Report](#), as indicated in the note on page 111: "The audits consist of analyzing information from previous years, with a focus on occupational health and safety. The 2023 audits will be conducted in March and April 2024, and their results will be available later this year."

KPI	2022	2023
Audited suppliers	53	48
Suppliers with mitigation plans in place (% of suppliers audited)	91%	94%
Action plans defined based on audits	186	44*
Contracts terminated due to noncompliance	0	0

*Note: One supplier did not attend the audit. Support has been provided to the 45 suppliers to assist with the implementation of their action and mitigation plans.

ENVIRONMENTAL DIMENSION

2.1 Environmental Policy & Management

Return on Environmental Investments (USD)

Information for each year considers 100% RTK

USD	2020	2021	2022	2023
Capital Investments (USD)	3,000,000	1,399,041	29,200	137,996
Operating Expenses (USD)	1,145,000	2,442,000	4,108,891	1,905,484
TOTAL Expenses (USD)	4,145,000	3,841,041	4,138,891	2,043,480
Cost Savings (USD)	63,800,000	35,028,476	30,360,516	0

Environmental Violations (USD)

	FY 2020	FY 2021	FY 2022	FY 2023
Number of violations of legal obligations/regulations (USD)	0	0	0	3
Amount of fines/penalties related to the above (USD)	0	0	0	32,062.12
Environmental liability accrued at year end (USD)	0	0	0	30,063.12

2.3 Packaging

Packaging Materials

Packaging Materials	Coverage (% of cost of procurement)	Total Weight (metric tonnes)	Recycled and/or Certified Material (% of total weight)	Target 2023 (% of total weight)
Wood/Paper fiber packaging	100%	2867	14.7%	12%
Metal (e.g. aluminum or steel) packaging	100%	461	1.2% ⁽¹⁾	1%
Glass packaging	100%	1159	8.3% ⁽²⁾	1%

⁽¹⁾ According to the [Centro de Envases y Embalajes de Chile \(CENEM\)](#), it is estimated that aluminum cans contain 50% recycled material.

⁽²⁾ Given that most of our glass comes from bottles sourced in Chile and Europe, we adopt the most conservative estimate for the percentage of recycled glass content, based on the figures from Chile. See the [Recycled Glass Statement from Cristalerías Chile](#).

Plastic Packaging

	2020	2021	2022	2023	Target 2023
A. Total weight (tonnes) of all plastic packaging	156,122	4,035	2,550	2,624	2,595
B. Percentage of recyclable plastic packaging (as a % of the total weight of all plastic packaging)	0.4	0.6	1.2	32.46 ⁽¹⁾	2
C. Percentage of compostable plastic packaging (as a % of the total weight of all plastic packaging)	0	0	1.1	1.1	1
D. Percentage of recycled content within your plastic packaging (as a % of the total weight of all plastic packaging)	0.01	0.05	1.1	2.2	2
Coverage (as a % of cost of goods sold)	100	100	100	100	-

⁽¹⁾ The increase in the percentage of recyclable plastic packaging is due to the inclusion of all cargo plastic that is recyclable.

The increase in the reported values compared to the previous year is due to the growth in operations.

2.4 Waste & Pollutants

Waste Management Programs

- Waste audits to identify opportunities for improving waste performance:

Audits on waste management performance are part of the Environmental Management System (EMS) audits. We conduct annual environmental inspections in each country, carried out by the Country Environmental Management Leader, who inspects various local stations. Following that, we have an annual cross-audit program for the EMS, where an environmental management professional from one country audits at least two bases in another country.

A third level of audits includes internal EMS audits according to the IEnvA standard and ISO 14001. Finally, we have external EMS audits under IEnvA (every two years) and annual audits for ISO 14001 at the LATAM Cargo base in Miami.

Coverage: Chile, Brazil, Colombia, Peru, Ecuador, and the United States.

- Action plans to reduce waste generation:

During the year 2023, we were advised by a consulting firm expert in Circular Economy, to make a diagnosis, propose and implement improvements to our Waste Management System in Chile (Santiago), Colombia (Bogota), Ecuador (Quito), Peru (Lima), Brazil (Guarulhos and São Carlos) and the United States (Miami).

Improvements related to waste reduction include the incorporation of sustainability criteria in the Purchasing Policy, which establishes zero-waste guidelines, including a preference for reusable and recyclable materials.

- Quantified targets to minimize waste:

Our targets related to minimizing waste are to eliminate single-use plastics by 2023 and seeking to be zero waste to landfill by 2027.

- Investment in innovation or R&D to minimize waste:

An innovative project arises from an alliance with the main supplier of airplane seat belts, where these belts are returned for repair and subsequently delivered as refurbished seat belts.

- Waste reduction training provided to employees:

As part of the consultancy with the circular economy expert company, training was provided to employees in the aircraft maintenance, cargo, and office areas.

In the cargo area specifically, a strong emphasis has been placed on training to reduce the use of plastic film. This includes reinforcing the use of reusable blankets and enforcing a ban on purchasing new plastic film.

- Integration of recycling programs to reduce the waste sent to landfill:

The following programs are highlighted:

- Waste Management System
- Recycle Your Trip
- Second Flight
- Composting
- More Sustainable Lounges

(See more information on Page 84, Annual Report 2023)

Food Loss & Waste Commitment

The strategy associated with food loss and waste is part of our roadmap to seek to be a zero-waste-to-landfill group by 2027.

For this purpose, differentiated actions and sub-goals have been defined based on the origin of generation: 1) In-Flight Catering 2) Casinos and Lounges.

In-Flight Catering:

A corporate strategy led by In-Flight Service aims to reduce food waste from passenger catering in economy class by: 1) reinjecting sealed materials back into operation, and 2) reducing over-catering of fresh food in the YC cabin through the application of optimization models.

In 2023, a sub-goal for 2024 was defined: to ensure a maximum of 2% over-catering of fresh food in economy class cabins on international flights longer than 3.5 hours, which translates to 212 tons per year.

Additionally, in 2024, we expect to finalize the design of a model associated with non-eating, mainly on long-haul overnight routes, which will be implemented in 2025.

Casinos and Lounges:

A corporate strategy that seeks to expand the coverage of our waste management system and, on the other hand, increase the diversion of waste from landfills. In 2023, at the maintenance base cafeteria in SCL, an organic waste segregation process was implemented to give new use and value to the leftovers through composting.

Additionally, new processes were designed for the SCL Lounge to improve the disposal and recovery of lounge waste. Once implemented in 2024, these processes will be exported to our lounges in Lima, Sao Paulo, Bogotá, and Miami. These measures will be implemented with the goal of obtaining TRUE certification (Total Resource Use and Efficiency of US Green Building Council), starting with the pre-certification process in 2024.

- Programs established to measure and reduce the total volume food loss & waste:

In-Flight Catering:

ITO System (< 2023): An optimization system for catering service requests for international and domestic flights. This system is aligned with the host and allows capturing and adjusting the order request according to the actual flight bookings.

Reinjection of Non-Perishable Sealed Materials and Food Items into the Next Flight Post-Quality Review (< 2023): Snacks, beverages, juices, water, cup sleeves, condiment sachets, sweeteners, sugar, and cutlery. Minimizing waste due to over-catering of these materials in our operations.

Zero Wastage Project (Perishable Food): In 2023, we worked with advanced analytics to develop a model that enhances the accuracy of the ITO system by using historical flight data and customer characteristics (10 variables including route, day, time, no-show rate, etc.). This model will be implemented in 2024 for international flights in the Economy cabin with fresh food service (> 3:30 hours of flight), along with a target to reduce over-catering from 6% to 2%, which translates to 212 tons per year.

Casinos and Lounges:

Elimination of Single-Use Plastics: In accordance with LATAM's defined policy. This includes avoiding disposable bags for amenities, towels, or other materials; not using plastic film for buffet food; avoiding plastic stirrers, straws, plastic spoons, and sachets of oil, vinegar, sweeteners, etc.

Waste and Valorization: Segregation, weighing, and recording of all waste by origin (kitchen operations and passenger-facing) considering the following materials: organic, cardboard, glass, flexible plastic, hard plastic, PET plastic, steel cans, aluminum cans, Tetra Pak, broken crockery, and hazardous waste. Ensure disposal with maximum valorization according to local regulations and the lounge's waste manager.

Water and Energy: Ensure independent metering and recording. Use efficient refrigeration equipment and incorporate best practices for resource efficiency.

Additionally, for the maintenance base casino in Santiago, a process for segregating organic waste was implemented to give it new use and value (compost), which included measuring and recording this waste.

With this data, we can calculate the total loss and food waste by origin, waste by material/valorizer, and thus calculate indicators related to the diversion of landfill waste at the facility.

- Measurable group-wide targets to reduce the total weight of food loss & waste

In-Flight Catering:

Following the 2023 assessment, a goal has been set for 2024 to reduce over-catering of fresh food on international flights and economy class longer than 3.5 hours from 6% (212 tons) to 2% (71 tons).

Note: In 2023, 13% of flights were classified as regional (>3.5 h) and longhaul, with an estimated 212 tons of fresh food waste resulting from overcatering. For domestic and regional (<3.5 h) business, which accounts for 78% of flights, no fresh food is served—only beverages and non-perishable snacks, which, if sealed and meeting quality guidelines, are reintroduced into the operation.

Casinos and Lounges

LATAM Airlines Group aims to achieve zero waste to landfill by 2027. To measure progress toward this goal, waste is segregated, weighed, and documented daily before being sent to the waste manager, with the indicator being recorded on a monthly basis.

The indicator is calculated by dividing the amount of waste sent to landfill (tons) by the total amount of waste generated.

- Break-down of food loss & waste volumes by food category and/or lifecycle stage

In 2023, LATAM measured the waste of fresh food on international flights longer than 3:30 hours due to over-catering in economy class. The total number of fresh meals in 2023 was 841,752, which translates to 212 tons of waste (Longhaul: 153 tons/year from 606,392 meals; Regional: 59 tons/year from 235,360 meals).

- Programs aimed at using food loss & waste for alternative uses

Composting: At our maintenance base in Chile, the organic waste generated in the mess hall is segregated by the employees themselves. In this program, 33 tons of food waste were composted. In addition, 157 tons of wood were composted at the base. Additionally, starting in 2024, composting will be implemented for the Lounge SCL.

- Collaboration with up/downstream partners to reduce the amount of food loss & waste in the value chain

In-Flight Catering:

The model for reducing over-catering of fresh food was developed in collaboration with IT and the catering suppliers serving LATAM group.

Casinos and Lounges:

The processes for diverting waste from landfills to increase waste recovery involve key collaboration from:

- Casino and lounge operators, Aramark and Newrest respectively, as these companies have been willing to adjust their processes according to LATAM's guidelines.
- Intermediaries, including Nueva Pudahuel (concessionaire), and waste managers and recyclers, Veolia (manager) and Armony (recycler), are essential for ensuring proper waste management, which includes disposal, recovery, and traceability.

Food Loss & Waste Impact

The reported values correspond to LATAM Airlines initial measurement of food loss and waste impact, so no figures from previous years are available. In the future, the information provided will be improved.

Food loss & waste	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
a) Total weight of all food loss & waste (ton)	NAP	NAP	NAP	245 ⁽¹⁾	71
b) Total weight of food loss & waste volumes used for alternative purposes (ton)	NAP	NAP	NAP	33 ⁽²⁾	
c) Total discarded (ton)	NAP	NAP	NAP	212	
d) Food loss & waste intensity (g/passenger)	NAP	NAP	NAP	22	
e) Coverage %	NAP	NAP	NAP	13 ⁽³⁾	

⁽¹⁾ Value includes the sum of overcatering and composting from the casino.

⁽²⁾ Value corresponds to casino recovery.

⁽³⁾ The reported values correspond to food waste generated solely from overcatering in Economy class, where fresh meals are served, accounting for 13% of the operation.

2.5 Water

Water Efficiency Management Programs

- Water use assessment to identify opportunities for water efficiency improvements

For the five Home Markets (Chile, Brazil, Colombia, Ecuador, and Peru), sources of water for human and industrial consumption are identified. Generally, since these sources are within airport concession areas, maintenance and improvements to the piping to prevent water losses are not LATAM's responsibility. However, in LATAM-owned facilities, necessary repairs are carried out to prevent water losses.

Additionally, improvements to infrastructure are made in the Group's facilities, such as the installation of timers on sinks, showers, dining areas, and operations. Moreover, equipment with greater water efficiency has been acquired for washing parts, wheels, and equipment (Ground Handling).

By 2025, a detailed analysis of the main points of water consumption in our operations is planned to establish further improvements.

- Actions to reduce water consumption

Acquisition of machinery and equipment (washers) with lower water consumption, staff awareness, low-flow faucets, and timers.

- Actions to improve wastewater quality

All wastewater generated within the LATAM Airlines Group is treated either internally (using separation chambers, treatment plants) or externally by concessionaires and/or local treatment plants (municipal).

- Application of water recycling

In Brazil, rainwater collection and storage systems have been implemented for subsequent use as process water, thereby reducing the extraction or use of fresh water.

- Awareness training provided to employees on water efficiency management programs

As part of the Environmental Management System training program, sessions are conducted to instruct employees on water consumption and conservation.

2.6 Climate Strategy

Climate-Related Management Incentives

Who is entitled to benefit from this incentive?	Type of incentive	Incentivized KPIs:
Chief Executive Officer (CEO)	Monetary	<p>Efficiency:</p> <p>The CEO and the group executives are responsible for the company's results and one of the main targets is to be more resource-efficient, which translates to the reduction of Jet Fuel consumption, a decrease in the carbon footprint, and other climate-related targets.</p>
VPs and Business Unit Managers	Monetary	<p>Emissions reduction:</p> <p>Systematic reduction of Jet Fuel consumption (cost-saving) and CO₂ emissions is linked to the company's results and environmental performance. The country manager is responsible for the implementation of the environmental management system which is focused on mitigating and preventing the company's environmental impacts, including reducing emissions.</p>

Business Unit Managers	Monetary	<p>Emissions reduction:</p> <p>The Business Unit Managers, along with the Corporate Affairs and Sustainability and its team, have their performance based on managing direct environmental impacts and, therefore, the bonuses are subject to the accomplishment of those goals.</p> <p>For example, support to the programs to reduce and offset emissions, compliance with the European Union Emission Trading Scheme is a strategic target for this area, and the bonus is linked to our performance in this particular topic.</p>
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Financial Risks of Climate Change

- Risks driven by changes in regulation:

Brief description of the most significant risk and methods used to manage this risk:

The company has a risk management model based on the Comprehensive Risk Management Policy, which aims to support the achievement of the group's strategic objectives. Using international risk management methodologies as a reference, the LATAM group has established a three lines of defense model to maintain an adequate process for risk identification and mitigation. ([Page 42 - Annual Report 2023](#)).

As part of the risk identification and management process, the company has identified environmental and regulatory risks ([Page 142 - Annual Report 2023](#)). In this way, the Group is constantly monitoring all potential climate change-related regulations that could impact the company in the next five years. Some of these include:

- A proposed law in Brazil for emission reductions using SAF, which aims to progressively reduce greenhouse gas emissions, starting at 1% and reaching 10%, prioritizing the use of SAF to achieve this. The scheme would begin in 2027, and since it falls within the planning horizon, the potential risk is estimated. ([link](#))
- Emissions Trading System in Colombia. Law 1931 of 2018 in Colombia, 'WHICH ESTABLISHES GUIDELINES FOR CLIMATE CHANGE MANAGEMENT,' established in its Article 30 that the Ministry of Environment would create a National Program of Tradable Greenhouse Gas Emission Quotas (PNCTE). This program has not yet been regulated, despite the fact that it was supposed to be by 2021. ([link](#))
- Emissions Trading System in Chile. Law 21455, known as the Climate Change Framework Law, establishes the creation of an emissions trading system. Subsequently, through 'Law No. 21.210: Modernizes tax legislation allowing taxpayers to fully or partially offset their taxable emissions, in order to calculate the amount of tax to be paid, through the execution of emission reduction projects.' Currently, this law applies to fixed sources, but due to the scope of Law 21455, the LATAM group has identified this system as a potential risk and therefore includes it in its risk management system. ([link](#))

- Emissions Trading System in Brazil. Bill 2148/2015 is a proposal that aims to establish the Brazilian Emissions Trading System (SBCE). The Group is closely monitoring this proposal, which would initially require all companies that generate more than 25,000 tons of CO₂ annually to offset their emissions. The mechanism under which this would be done is still under discussion. ([link](#))
- In Colombia, Law 1819 of 2016 established the creation of a carbon tax, which allowed companies to offset their emissions to avoid the tax. Through the 2022 tax reform in Colombia, this tax was modified, allowing companies to offset only 50% and requiring them to pay the remaining 50% in taxes. This resulted in a potential additional cost for companies that had carbon credits traded at a price lower than the tax value, as they could no longer offset the remaining 50%. Currently, the government is considering implementing a new tax reform, and this includes the potential for further changes to the tax that could reduce the percentage of offsetting.
- European Union Emissions Trading System (EU-ETS). It is an emissions trading scheme under which the Group has had to offset CO₂ emissions generated on intra-European flights since 2012. The scheme, under Directive (EU) 2023/959, states that in 2026 there will be a review of the international emissions offsetting scheme (CORSIA) and will determine if further action is required for flights to and from the European Union, which could involve an extension of the EU-ETS scheme. ([link](#))
- CORSIA. CORSIA is the international aviation emissions offsetting scheme established by ICAO. Under this scheme, operators flying between routes within CORSIA participating states incur offsetting obligations compared to the baseline established by the scheme. Currently, countries such as Chile and Colombia are not part of CORSIA. However, countries can join the scheme, changing potential offsetting requirements, which is why the group closely monitors the status of the countries where it operates regarding their adherence to the scheme.

The way this risks are managed vary depending on the risk, but all of them are integrated and managed by the Risks Unit, and according to our risk management policy, in any case, LATAM works closely with all the stakeholders, including governments, to promote informed public policies, this is why LATAM co financed an MIT study that seeks to find the best decarbonization alternatives for our industry in the countries where we have domestic operation, which included conducting interviews with government officials, feedstock providers, saf producers, amongst others, to provide the most robust information to date to the governments so in turn they could use it to create public policies.

LATAM also has an ambitious fleet renewal plan, which seeks to have over 200 planes of the latest generation (~20% - 25% more fuel efficient) by 2030, which means doubling the participation of latest generation aircrafts in our mix.

Since 2010 LATAM has a fuel efficiency program which reached 6.3% efficiency in 2030 (+1% vs 2022). This program has avoided the emissions of +4.5 million ton co₂ since its implementation. Some of the measures are the reduction of weight (changing and/or eliminating materials, implementing advanced analytics and artificial intelligence models, amongst others). And finally LATAM has a long term relationship with a conservation project (CO₂Bio) which offers high quality offsets. By having a long term relationship, LATAM can guarantee a very competitive price and at the same time a high quality. LATAM participates actively in the governance of the project which ensures active involvement and liability.

- Risks driven by change in physical climate parameters or other climate-change related developments:

Brief description of the most significant risk and methods used to manage this risk:

Climate change itself—physical climate parameters—has led to an increase in the number of extreme weather events, which directly affect LATAM group regular operations, causing disruptions to air transport services. The main consequences include flight cancellations, route changes, customer compensations, hotels, among others. Physical risks were studied under the TCFD framework, where both acute and chronic risks were evaluated in the short, medium and long term. Some of the risks (please find the details in the section 3.2 Strategy, Report Aligned with the 11 TCFD recommendations TCFD analysis) are rx5d, extreme temperature, floods, etc.

Physical risks are managed through the Risks Management unit according to our risk management policy. At the same time, LATAM group implements the latest available flight navigation technology such as the DPO (Descent Profile Optimization) which updates the planned descent models in the flight management system database and proposes optimized procedures. LATAM group works closely with the governments to ensure that airports and the aviation value chain is included in all the national Climate change mitigation strategies.

Financial Opportunities Arising from Climate Change

Brief description of the opportunity:

The most significant opportunity for LATAM group is to demonstrate its progress and commitment to decarbonization. In this regard, it has an updated sustainability strategy in which the focus on climate change is relevant, with a strong focus on reducing emissions intensity (CO₂/RTK). In 2022, we expanded our alliance with Catarubén's CO₂BIO project, an initiative that allows us to offset LATAM group emissions and protect various ecosystems in the Colombian Orinoco region, aiming to preserve over 575,000 hectares of flooded savannahs by 2030, and benefiting over 700 families in the same timeframe. In addition to the above, LATAM group has invested in MIT studies on decarbonization policies, fleet and fuel efficiency initiatives, as well as participation in the development of incentive policies and SAF agreements. This increases passenger and cargo preference, which translates into an increase in LATAM group revenues and also proves attractive to investors.

2.8 Product Stewardship

Fleet GHG Intensity

Intensity GEI	2020	2021	2022	2023
GHG Intensity Ratio for passengers (Kg CO ₂ eq per passenger-kilometer)	8.0	8.5	9.6	9.1
GHG Intensity Ratio for cargo (Kg CO ₂ eq per tonne-kilometer)	24.5	25.4	26.6	29.2

The trend in GHG intensity ratios per passenger and cargo over these four years can be explained by a combination of factors related to air transport demand, an increase in the demand for flights and air freight transportation; aircraft technology, although there has been a transition towards a more fuel-efficient fleet, economic/regulatory conditions, an increase in fuel prices, carbon taxes, and regulatory changes impacting route adjustments, which affect the mentioned ratios; and the normalization of service post-COVID-19 pandemic. According to the latest data published by IATA (2022), LATAM is 12% below the industry average for this indicator (demonstrating greater efficiency). LATAM has an ambitious fleet renewal plan that will help reduce this indicator.

Air Fleet Decarbonization

	2020	2021	2022	2023
% SAF use	0	0	0	0.01

The LATAM Airlines Group is collaborating with various public and private sector stakeholders in the region to drive the creation and development of the SAF market, as well as to promote the formulation of public policies that align with local needs and realities. An example of this was their involvement in the National Program for Sustainable Aviation Fuel (ProBioQAV) in Brazil, the SAF Technical Table in Colombia, and the public-private working group on Sustainable Aviation Fuels (SAF) in Chile.

In 2023, the LATAM Airlines Group established partnerships with two corporate clients through LATAM Cargo operations, conducting its first international flight using this type of fuel. This flight departed from Zaragoza to North America, utilizing the first batch of SAF produced in Zaragoza by AirBP. Additionally, a second strategic partnership was formed, also through LATAM Cargo, where an equivalent amount of SAF was used to reduce emissions for a flower transport flight from Bogotá to Miami during Mother's Day season.

Furthermore, given the technological and logistical gaps that could limit the feasibility of significantly expanding SAF use worldwide, the LATAM Airlines Group, in collaboration with Airbus, announced in 2023 the funding of a study with the MIT Joint Program on the Science and Policy of Global Change across six Latin American countries: Brazil, Chile, Colombia, Ecuador, Mexico, and Peru. This ongoing

report aims to provide a comprehensive analysis of scenarios for SAF deployment and the development of related alternatives, including carbon capture and storage, as well as assessing the use of incentives, carbon taxes, and other types of compensations.

During the same year, the LATAM Airlines Group conducted its first Ferry Flight using SAF, flying from Toulouse (France) to Fortaleza (Brazil). A Ferry Flight is a flight with a purpose other than transporting cargo or passengers, such as relocating the aircraft from one base to another or to a maintenance facility. In total, 10 of these flights were performed using sustainable fuels as part of this initiative.

Measures for Improving Fuel Efficiency

Improving load factor:

By optimizing the total amount of planned fuel, space is often created that can be used to load more cargo.

Low-drag paint or alternative coatings:

We are implementing a coating on the fuselage of some of our aircraft to reduce aerodynamic drag by approximately 1%.

On-board weight reduction:

The load of consumable items during the flight is optimized, such as the onboard water program, which involves reducing the potable water load on the aircraft according to various pre-calculated factors that ensure the availability of this resource during the flight. This reduces fuel consumption due to lower weight while simultaneously increasing the available cargo weight.

Additionally, we are removing obsolete items related to the in-flight entertainment system, which has been replaced by more modern technologies.

Improved on-board technology for route planning:

Implementation of advanced analytics models that allow for reducing flight distance and time, improving planning and therefore fuel consumption.

Engine upgrades/replacement:

Updates and replacement of engines, through adjustments in their original configuration, enable a reduction in performance to maximize fuel savings. Additionally, engine washes are performed to maintain their operability with greater efficiency.

Other:

Additionally, the LATAM Airlines group, in its ongoing pursuit of options to reduce fuel consumption, undertakes the following actions:

- APU shutdown by connecting to ground electrical equipment.
- Tail Assignment: optimization and maximization of the use of more efficient aircraft within the fleet.

- Speed management (Cost Index) to fly more efficiently.
- Route optimization and selection of the optimal route for each flight based on conditions.

SOCIAL DIMENSION

3.3 Human Capital Management

Employee Development Programs

Item	Program 1	Program 2
Name & Description of the program	<p>Name: LATAM Leadership Program</p> <p>Description: Provide leaders with tools to develop skills that enhance leadership within our JETS culture, fostering both closeness and result-oriented leadership.</p>	<p>Skills Development Program for Sales Executives and Contact Center Staff</p> <p>This program seeks to provide participants with advanced tools in key areas such as Customer Experience, Negotiation and Sales Techniques, and Effective Communication. This initiative is designed to enhance the performance of Sales Executives and Contact Center Staff, enabling them not only to close more deals but also to build stronger and more enduring relationships with clients.</p> <p>Description of the Included Courses:</p> <p>Customer Experience Course: It teaches executives how to improve the customer experience at every touch point, from the initial interaction to after-sales service. This includes techniques for better understanding customer needs and expectations and consistently exceeding them.</p> <p>Negotiation and Sales Techniques Course: Equip executives with advanced negotiation techniques that enable them to secure more favorable deals and build long-term relationships with clients. The course also covers sales strategies that optimize the sales process, thereby enhancing the overall customer experience.</p> <p>Effective Communication Course: Enhance executives' verbal and non-verbal communication skills, ensuring that their messages are clear, persuasive, and aligned with both the</p>

		company's objectives and the clients' expectations.
Business benefits of the program	<p>This program aims to empower leaders with the skills necessary to drive teams towards improved performance, make well-informed decisions, and effectively navigate evolving circumstances. By doing so, it sets the stage for enhanced collaboration, productivity, innovation, and overall team effectiveness. Additionally, the program places a strong emphasis on cultural alignment, fostering a more tightly-knit organization guided by its core values and bolstering employee commitment. Under the guidance of these empowered leaders, employees are encouraged to contribute fresh ideas and initiatives, facilitated by a positive leadership approach.</p> <p>Furthermore, the program is designed to elevate employee satisfaction and retention rates while simultaneously creating greater opportunities for internal development and growth.</p>	<p>Increased Sales: Enhanced sales and negotiation techniques boost deal closures, leading to higher sales targets.</p> <p>Enhanced Customer Value: Improved customer experience increases satisfaction and loyalty, driving repeat sales and referrals.</p> <p>Reduced Customer Churn: Better customer experience and communication help retain existing customers and preserve revenue.</p> <p>Strengthened Brand: Superior service and effective problem-solving enhance brand reputation and attract more customers.</p> <p>Operational Efficiency: Optimized sales processes result from improved techniques, making sales efforts more efficient.</p> <p>Leadership Development: Enhanced communication and negotiation skills foster leadership abilities, benefiting organizational culture and team management.</p>
Quantitative impact of business benefits (monetary or non-monetary)	<p>The quantitative impact of this program is clearly visible through our eNPS (Employee Net Promoter Score), specifically in the category of "Leadership Career Development," which saw a remarkable increase of +25 points.</p>	<p>The benefits for the LATAM Airlines Group have a significant impact on the company's long-term sustainability and growth. Increased Global Employer Appeal:</p> <p>The program helps position the company as an employer that values and promotes continuous professional development, enhancing its attractiveness to top talent in the global market.</p> <p>Strengthened Global Corporate Culture: Improvement in organizational climate surveys, such as achieving a goal of 78 points on the OHI, reflects greater cohesion among employees from different regions and cultures. With respect to the impact on sales, there was a significant increase of 14% compared to the previous year, highlighting a notable improvement in performance and growth within this period</p>

% of FTEs participating in the program	7.9%	59%
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Item	Program 3
Name & Description of the program	GoFluent Language Learning Program: this program allows employees to choose and study up to 12 languages simultaneously. It is fully personalized, with content tailored to the learner's interests. Each participant can take an initial level test to determine their starting point and repeat the test every three months to track their progress. The program also offers group conversation sessions with native instructors and students from other countries.
Business benefits of the program	<p>Enhancing Global Communication:</p> <p>International Collaboration: Better language skills improve collaboration across regions, leading to quicker decisions and smoother global projects.</p> <p>Customer Service: Multilingual employees enhance customer satisfaction by communicating in clients' native languages, boosting loyalty and sales.</p> <p>Boosting Competitiveness:</p> <p>Market Expansion: Multilingual employees better position the company for international market expansion and cultural understanding.</p> <p>Adaptability: Language proficiency reduces cultural and linguistic barriers.</p> <p>Cost Reduction:</p> <p>Less Reliance on Translators: Decreased need for translation services leads to significant cost savings.</p> <p>Operational Efficiency: Better internal communication reduces costly errors and misunderstandings.</p> <p>Strengthening Organizational Culture:</p> <p>Engagement: The program promotes a unified global culture, connecting employees across locations.</p> <p>Talent Attraction and Retention: Investing in employee development attracts and retains global talent valuing growth opportunities.</p>
Quantitative impact of business benefits (monetary or non-monetary)	<p>The main objective of the goFLUENT language program is to enhance employees' language skills, which in turn facilitates more effective and accurate communication within LATAM Airlines Group and with internal and external clients and suppliers. By providing language training that is personalized and aligned with business needs, LATAM aims to:</p> <ul style="list-style-type: none"> - Optimize Communication - Increase Competitiveness - Boost Operational Efficiency - Support Global Growth Strategy - Foster Corporate Unity and Organizational Culture <p>The benefits for the LATAM Airlines Group have a significant impact on the company's long-term sustainability and growth.</p> <p>Increased Appeal as a Global Employer:</p>

	<p>The program helps position the company as an employer that values and promotes continuous professional development, enhancing its attractiveness to top talent in the global market.</p> <p>Strengthening Global Corporate Culture: Improvement in the OHI organizational climate survey, reaching the target of 78 points, reflects greater cohesion among employees from different regions and cultures.</p>
% of FTEs participating in the program	68%

Hiring

Data Breakdown of 2023 hires:

- By Management level

Item	FY 2023
Top Management	0%
Senior Management	0%
Junior Management	1%
Operator	51%
Sales force	1%
Other professionals	9%
Administrative	3%
Other technicians	35%
Total	100%

Type of Performance Appraisal

Annually, the companies in the LATAM Airlines Group hold a performance evaluation process based on objectives, aligned with skills differentiated by segment. Executives, middle management, supervisors and cabin and airport operational areas are part of this process, designed to contribute to the development of each employee and of the human capital within each organization.

Additionally, the group has implemented other performance evaluation mechanisms for specific teams, as detailed below:

- Multidimensional Performance Evaluation: We use a tool called "Barometer," which involves a survey with 28 questions sent to employees who evaluate their leader and team. All leaders with three or more direct reports (approximately 2,000 leaders) were evaluated. The assessment was made available to 30,000 employees. This evaluation is conducted twice a year.
- Team Performance Evaluation: In technology areas, the Digital Talent Model is applied. The primary objective of this model is Enhanced Observability, allowing leaders to receive enriched feedback through the observation of others for their team members. Leaders under observation are evaluated through Top-Down (by their leader and their leader's peers), Bottom-Up (by their direct reports), and 360 (by anyone who interacts with them, providing partial observability). This evaluation is also conducted twice a year.
- Agile Conversations: This method applies the same Digital Talent methodology used in technology areas. The evaluation is conducted twice a year.

Employee Support Programs

Paid parental leave

52.9% of our employees operate in Brazil. In this country, legal postnatal leave for mothers is 120 days, and an additional 60 days are provided as a company benefit, totaling 180 days, or 25.7 weeks. This benefit applies to both adoption and childbirth. Adoption procedures are under the jurisdiction of the adoption agency, and in some cases, special permits may be required.

For fathers, the legal leave entitlement is 5 days, but LATAM Brasil provides an additional 15 days after the birth of the baby. These 5 days are the legal requirement, and the extra 15 days are given as an additional benefit, in accordance with our local commitments (total of almost 3 weeks). This policy applies to same-sex couples, surrogacy arrangements, and in cases of adoption. In the case of same-sex couples, the partners can decide which role each one wants to take during this period.

*It is important to clarify that the definition of postnatal leave is based on the regulations of each individual country.

Employee Turnover Rate

Item	FY 2020	FY 2021	FY 2022	FY 2023
Voluntary employee turnover rate	2.5	5.1	5.74	4.35

Data breakdown of 2023 turnover rate:

- By gender

Item	FY 2023
% Woman	43.1
% Men	56.9

- By Management level

Item	FY 2023
Top Management	0%
Senior Management	2%
Junior Management	4%
Operator	60%
Sales force	3%
Other professionals	6%
Administrative	2%
Other technicians	24%
Total	100%

Trend of Employee Wellbeing

In LATAM, we conduct two types of surveys related to well-being and satisfaction. The first is the Organizational Health Index (OHI), which evaluates various strategic focuses for the LATAM Airlines Group, such as leadership, technological adaptation, diversity and inclusion, and employee experience. This includes aspects like meaning and purpose, as well as psychological safety, among others.

The second is the eNPS survey, which measures engagement and satisfaction using a scale from 0 to 10. Each month this survey is randomly distributed to a representative sample of 5,000 LATAM employees. It allows us to assess employee conditions, gauge well-being, and determine whether they would recommend the company as a place to work. Here, we share evidence from the survey:

Item	FY 2020	FY 2021	FY 2022	FY 2023
% of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS)	0	59	61	81
% of employees who responded to the survey	0	20%	19%	23%

*This percentage is based on the number of deliveries made in a year.

The image displays two side-by-side screenshots of the LATAM survey interface. Both screenshots feature the LATAM logo at the top. The left screenshot shows the survey title 'Encuesta / Pesquisa / Survey', the user email 'igonzalez@sustainalab.cl', and a language selection section with options for Spanish, Portuguese, and English. The right screenshot shows the survey title, the same user email, a registration notice, and a question about recommending LATAM as a place to work on a scale from 0 to 10.

3.5 Transportation Safety

Safety Management System

LATAM Airlines Group has an Alcohol & Drug Policy and Program in place to ensure a safe and healthy work environment. This program includes activities focused on preventing drug use and alcohol abuse, as well as preventive toxicological screenings to deter the consumption of these substances, reinforcing the company's commitment to the safety and well-being of its employees and collaborators.

Accident Rate

Item	FY 2020	FY 2021	FY 2022	FY 2023
Harmonized Accident rate per million sectors	0.000001	0	0.0000021494	0

Passenger Fatalities

Passenger fatalities	FY 2020	FY 2021	FY 2022	FY 2023
Number	0	0	0	0

3.6 Customer Relations

Online Strategies & Customers Online

*LATAM Airlines Group has Passenger and Cargo operations. This question is answered with Passenger information.

- Online customers

Item	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
% of total customers using your online services solutions/sales platform	53	52	51	57	52

- Online revenues

Item	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
% of revenues generated online (e.g. through direct sales, advertising, etc.)	44	47	42	46	43

Customer Satisfaction Measurement

Item	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
Satisfaction Measurement	40	51	46	48	48
Data Coverage	4	3	3	4	

3.7 Privacy Protection

Privacy Policy: Systems/ Procedures

Privacy policy applies to the entire operations, including suppliers

LATAM Airlines Group has as one of its fundamental pillars the creation of a safe and reliable environment to guarantee the protection and privacy of the personal data of its clients, workers and suppliers. In this sense, LATAM promotes and implements robust internal controls that also allow strict compliance with the laws and/or regulations issued by regulatory entities, on the protection of personal data in all locations where it operates, addressing the collection, processing and use of the information of its clients, workers and suppliers.

Currently, the company has an Internal Privacy and Personal Data Protection Policy, which applies to all companies that are part of the group as well as to all workers and third parties who, at any time, may have contact with personal data treated on behalf of LATAM Airlines Group and its subsidiaries. The objective of this document is to offer the general rules that apply to the processing of personal data, in compliance with each and every one of the applicable personal data protection legislation, in the jurisdictions where it operates. This document is for internal use and knowledge, so due to the company's own procedures and definitions, it has been decided not to publish it on the website.

However, in order to demonstrate adequate transparency in processing stakeholders' personal data, LATAM Airlines Group and its subsidiaries, have published their general measures in this matter for clients, workers and suppliers. For clients, these measures are available in the footer of the main page of their website, under the "Privacy Policy" section at <https://www.latamairlines.com>. Those guidelines comply with privacy and data protection laws, applicable in each country where the group operates, depending on the user's location. Below is the detailed information for each website by location:

Brazil: <https://www.latamairlines.com/br/pt/legal/politica-de-privacidade>

Chile: <https://www.latamairlines.com/cl/es/legal/politica-de-privacidad>

Spain: <https://www.latamairlines.com/es/es/legal/politica-de-privacidad>

Portugal: <https://www.latamairlines.com/es/pt/legal/politica-de-privacidade>
Germany: <https://www.latamairlines.com/de/de/rechtliches/datenschutzbestimmung>
Uruguay/Bolivia/Costa Rica/Israel/South Africa/Venezuela:
<https://www.latamairlines.com/uy/en/legal/privacy-policy>
Australia: <https://www.latamairlines.com/au/en/legal/privacy-policy>
Canada: <https://www.latamairlines.com/ca/en/legal/privacy-policy>
Colombia: <https://www.latamairlines.com/co/es/legal/politica-de-privacidad>
Ecuador: <https://www.latamairlines.com/ec/es/legal/politica-de-privacidad>
USA: <https://www.latamairlines.com/us/en/legal/privacy-policy>
France: <https://www.latamairlines.com/fr/fr/informations-legales/politique-de-confidentialite>
Italy: <https://www.latamairlines.com/it/it/legale/informativa-sulla-privacy>
Mexico: <https://www.latamairlines.com/mx/es/legal/politica-de-privacidad>
New Zealand: <https://www.latamairlines.com/nz/en/legal/privacy-policy>
Paraguay: <https://www.latamairlines.com/py/es/legal/politica-de-privacidad>
Peru: <https://www.latamairlines.com/pe/es/legal/politica-de-privacidad>
United Kingdom: <https://www.latamairlines.com/gb/en/legal/privacy-policy>

Regarding the privacy of workers' personal data, LATAM Airlines Group and its subsidiaries have established public guidelines in their Code of Conduct, specifically detailed in section 5.1 on Labor Practices and section 5.4 on Privacy and Confidential Information.

For supplier data privacy, in compliance with applicable legislation in each jurisdiction, LATAM Airlines Group and its subsidiaries enter into individual contracts with suppliers. These contracts include specific clauses to ensure adherence to the policies and regulations of LATAM Airlines Group and its subsidiaries. This contractual approach, tailored to the nature of each supplier (whether as a data processor or controller) and each country, is crucial for ensuring legal compliance and protecting the enforcement rights of LATAM Airlines Group, its subsidiaries, and stakeholders.

Moreover, LATAM Airlines Group requires that outsourced suppliers and their personnel adhere to its data privacy policies when engaged in business activities that involve the processing of personal data. The Privacy Policy specifies that any data accessible to suppliers must not be used for purposes other than those previously communicated by each company or subsidiary within the Group. Additionally, access to such data must be strictly aligned with fulfilling legal and/or contractual obligations. This guideline is reinforced through the Supplier and Third-Party Intermediary Code of Conduct, as outlined in the 2023 Annual Integrated Report of LATAM Airlines Group and its affiliates.

Additionally, at the contractual level, suppliers are required to provide LATAM Airlines Group and its subsidiaries with the results of any evaluations and/or independent audits they have conducted on their internal controls related to Information Security. This includes certifications such as ISO27001, SOC2 Type II reports, and AOCs for third parties with PCI compliance scope, as well as SOC1 Type II reports for third parties with SOx Law compliance scope. These requirements are publicly detailed in the Supplier Chain Management section of the report. Furthermore, the company is developing a supplier portal that will allow suppliers to access information and resources on the company's policies and procedures, including those related to data privacy. Through this portal, suppliers will also be able to manage their own data privacy obligations as applicable.

Additionally, it is important to note that LATAM Airlines Group and its subsidiaries have published their Information Security Policy on their website. This policy outlines the responsibility of the Information Security Management team as the focal point for ensuring understanding and compliance with policies related to privacy and the protection of personal data.

Designated Person or Department Responsible for Privacy Issues

LATAM Airlines Group and its subsidiaries have implemented a strategic program to ensure compliance with privacy and data protection laws in all the countries where they operate. This program designates Data Protection Officers (DPOs) in jurisdictions where required by law, or the corresponding legal representative, who are responsible for overseeing compliance with these laws

in each jurisdiction through the management of the company's Privacy Program. The role of the DPO or legal representative is fulfilled by individuals with experience in the legal requirements of their respective jurisdictions, as well as the legal and technical knowledge necessary to carry out data protection functions effectively within their specific territories. To ensure they can protect the rights of data subjects effectively, DPOs operate independently of the company's Management.

The current distribution of DPOs is as follows:

1. Brazil
2. Colombia
3. Ecuador
4. Perú
5. Argentina (also covering Bolivia, Paraguay, and Uruguay)
6. Europe

In Chile and the United States, where the law does not require the designation of a DPO, a representative from the Legal Department serves as the point of contact for interpreting laws related to information privacy, personal data, and other applicable regulations. Additionally, the legal representative in the U.S. has extended responsibilities to cover North America, the Caribbean, Asia, and Oceania.

As part of the holding company's privacy and data protection governance strategy, a Data Protection Committee has also been established in each country. These committees operate according to the legal requirements of their respective jurisdictions and are composed of both permanent and rotating members as needed. The committees include strategic representatives from key areas involved in the use and processing of personal data, such as Information Technology, Information Security, Legal, Compliance, Human Resources, Commercial, Marketing, Airports, Corporate Risk, and Internal Control, among others. These committees participate in decision-making processes related to data processing activities that involve high or critical risk levels, as determined by the relevant legal data protection requirements.

However, LATAM Airlines Group and its subsidiaries recognize that the protection and privacy of information and personal data require the development of robust and comprehensive strategies that align with the most stringent international standards. To achieve this, the company has adopted a tripartite approach involving strategic collaboration between the Data Protection Officers (DPOs) of each jurisdiction, the Chief Information Security Officer (CISO), who has a cross-functional role throughout the LATAM Airlines Group, and a Data Officer responsible for data governance.

Privacy Policy System Embedded in Group-Wide Risk/Compliance Management

LATAM Airlines Group and its subsidiaries have implemented a comprehensive framework to manage the risks associated with the processing of personal data. This framework is detailed in the Technological Risk Management Standard and the Personal Data Protection Life Cycle documents, which are published internally on the corporate portal. The approach integrates technological risk assessment with a rigorous privacy risk assessment.

Technological Risks:

Any risk identified related to the security of personal data must be reported to the Technological Risk Management team through established channels, such as the internal form (accessible as specified in the internal Technological Risk Management Standard), email to the Technological Risk area, or a direct message to the person responsible for technological risks. The Technological Risks team will document the risk, previously evaluated and classified in collaboration with the risk owner, according to the methodology defined by LATAM Airlines Group and its subsidiaries (as outlined in the Technological Risk Standard available on the internal corporate portal). They will then notify the relevant stakeholders responsible for implementing the actions defined to mitigate the risk, include the risk in a centralized inventory, and monitor the progress of the action plans.

Privacy Risks:

Risks involving the handling of personal data (such as storage, processing, access, or transfer) must be reported by the process owner associated with the privacy risk to the Data Protection Officer (DPO). If the DPO is unavailable, the case will be forwarded to the legal department of the corresponding country. A Privacy Impact Assessment (PIA) will be conducted in accordance with local regulations. The legal team will evaluate the potential legal consequences for LATAM Airlines Group and its subsidiaries, as well as for the data subjects.

In summary the risk assessment process for personal data at LATAM Airlines Group and its subsidiaries is a collaborative effort involving multiple areas and is structured around a two-track approach: technological and privacy. This approach ensures that risks are effectively identified, assessed, and mitigated, in compliance with data protection regulations and in a manner that safeguards customer information.

Disciplinary actions in case of breach

The Code of Conduct establishes clear and precise guidelines on the expected behavior of all employees and collaborators concerning health, safety, environmental practices, alcohol and drug consumption, confidentiality, and the use of privileged information at LATAM Airlines Group and its subsidiaries. Its primary objective is to ensure a safe, ethical, and responsible work environment for all members of LATAM Airlines Group and its subsidiaries, including employees, collaborators, and third parties. The guidelines outlined in this document reflect a fundamental commitment of the holding company; therefore, the identification of unethical conduct that violates or fails to comply with the Code may result in disciplinary actions, aligning with a "Zero Tolerance" stance.

To achieve the goal of fostering and maintaining an ethical, transparent, and integral culture, the Code of Conduct clearly defines responsibilities at all levels of the organization. It encourages open dialogue and the reporting of any behavior that does not comply with the principles established in the Code. Responsibilities extend from individual employees, collaborators, and third parties, who are obliged to report any unusual or prohibited conduct, in accordance with the laws of each jurisdiction where LATAM Airlines Group and its subsidiaries operate, to Executives, Managers, Supervisors, the Compliance Officer, and the Code of Conduct Administration Committee in each country.

Internal and external audits of the privacy policy compliance

In 2023, LATAM Airlines Group and its subsidiaries achieved their fourth consecutive recertification of PCI DSS compliance, following an independent audit conducted by the relevant QSA. This recertification publicly demonstrates that the controls implemented to protect and ensure the privacy of customer data, especially for those purchasing products and services using credit or debit cards through LATAM's sales channels, continue to function effectively. This achievement was highlighted in the Technology, Data Protection, and Cybersecurity chapter of the Report.

As part of advancing its digital transformation strategy, LATAM Airlines Group and its subsidiaries utilize a cloud technology platform hosted on Google Cloud Platform (GCP), which includes data services, storage, and Workspace. These services are internationally accredited with ISO 27701 Certification for Information Privacy Management, as indicated on Google Cloud's website. Consequently, LATAM's privacy controls have been verified by independent and trusted third parties, meeting the stringent requirements of the accreditation entity. Additionally, GCP's compliance with Level 2 of the EU Cloud Code of Conduct, which adheres to GDPR as verified by independent auditors, further strengthens LATAM's data protection practices.

Furthermore, to ensure comprehensive protection of personal data and compliance with current regulations, LATAM conducts an annual, exhaustive internal review of the privacy and data protection controls implemented in its systems that manage restricted or confidential information. This review is

crucial for identifying, evaluating, and mitigating potential risks, strengthening the organization's security posture, optimizing personal data management, and building trust among stakeholders.

The lifecycle processes for protecting personal data at LATAM Airlines Group and its subsidiaries are governed by a series of organizational documents, standards, and laws that establish internal or legislative conditions to safeguard personal data. These include:

- Federal Law No. 13,709/2018 (General Law on Protection of Personal Data or "LGPD") - Brazil
- Law No. 19,628/1999 (Law on Protection of Privacy) – Chile
- General Data Protection Regulation (GDPR) - European Union
- Federal Law on the Protection of Personal Data Held by Private Parties (2010) - Mexico
- Organic Law on Protection of Personal Data - Ecuador
- Statutory Law 1581 of 2012 - Colombia
- Regulation of Law N° 29733 on Protection of Personal Data - Peru
- California Consumer Privacy Act of 2018 - United States
- Health Insurance Portability and Accountability Act (HIPAA) - United States
- PROTECTION OF PERSONAL DATA Law 25,326 - Argentina
- The Privacy Act 1988 - Australia
- Data Protection Act (PoPIA) - South Africa
- Privacy Act 2020 - New Zealand
- Law No. 1682/01 on Protection of Personal Data - Paraguay
- ISO/IEC 27701:2019 Security techniques: extension to ISO/IEC 27001 and ISO/IEC 27002 for information privacy management – Requirements and guidelines, August 2019.
- ISO/IEC 29100:2019: Privacy Framework

LATAM Airlines Group and its subsidiaries have developed a matrix of 24 controls, categorized into privacy controls and data protection controls. These controls are based on the data protection laws in the countries where LATAM operates and ISO/IEC 27701 and ISO/IEC 29100 standards, which outline the requirements and provide guidance for establishing and maintaining security in systems that process personal data. The 11 principles are:

1. Consent and Choice
2. Legitimacy of Purpose and Specification
3. Limitation of Collection
4. Data Minimization
5. Limitation on Use, Retention, and Disclosure
6. Accuracy and Quality
7. Openness, Transparency, and Notification
8. Individual Participation and Access
9. Accountability
10. Information Security
11. Privacy Compliance

The Data Protect team, part of the Cybersecurity Management of LATAM Airlines Group, conducts evaluations to assess compliance with data security and privacy measures in specific systems. This process involves interviewing and collecting evidence from those responsible for data processing on how security controls are applied. After gathering the information, the Data Protect team analyzes it and issues a verdict for each control: Compliant, Not Applicable, or Not Compliant.

The objective of these evaluations is to determine whether the implemented security measures are sufficient to protect personal data and ensure compliance with current regulations. When controls are found to be non-compliant, those responsible for data processing must implement corrective actions as detailed in the action plan. The Data Protect team continuously monitors the progress of these actions, periodically reviewing the evidence provided by the data controllers, who are responsible for reporting on the progress of corrective measures and ensuring that the evidence demonstrates compliance with the controls.

Details of this process are outlined in the Personal Data Protection Life Cycle Standard, which is published and accessible to all LATAM Airlines Group employees and subsidiaries through the internal Technological Risks Portal.

Customer Privacy Information

In the Privacy and Security Policy of LATAM Airlines Group and its subsidiaries, it is specifically stated that the processing of personal data is limited to the minimum necessary to fulfill the purpose for which they were collected. Therefore, the data requested in the forms, are of a general nature and mandatory when necessary (unless otherwise specified in the required field).

Likewise, you can access the specific page of each country as required to know the details of the nature of the information captured and its use, as well as the protection measures implemented:

Brazil: <https://www.latamairlines.com/br/pt/legal/politica-de-privacidade>

Chile: <https://www.latamairlines.com/cl/es/legal/politica-de-privacidad>

Spain: <https://www.latamairlines.com/es/es/legal/politica-de-privacidad>

Portugal: <https://www.latamairlines.com/es/pt/legal/politica-de-privacidade>

Germany: <https://www.latamairlines.com/de/de/rechtliches/datenschutzbestimmung>

Uruguay/Bolivia/Costa Rica/Israel/South Africa/Venezuela:

<https://www.latamairlines.com/uy/en/legal/privacy-policy>

Australia: <https://www.latamairlines.com/au/en/legal/privacy-policy>

Canada: <https://www.latamairlines.com/ca/en/legal/privacy-policy>

Colombia: <https://www.latamairlines.com/co/es/legal/politica-de-privacidad>

Ecuador: <https://www.latamairlines.com/ec/es/legal/politica-de-privacidad>

USA: <https://www.latamairlines.com/us/en/legal/privacy-policy>

France: <https://www.latamairlines.com/fr/fr/informations-legales/politique-de-confidentialite>

Italy: <https://www.latamairlines.com/it/it/legale/informativa-sulla-privacy>

Mexico: <https://www.latamairlines.com/mx/es/legal/politica-de-privacidad>

New Zealand: <https://www.latamairlines.com/nz/en/legal/privacy-policy>

Paraguay: <https://www.latamairlines.com/py/es/legal/politica-de-privacidad>

Peru: <https://www.latamairlines.com/pe/es/legal/politica-de-privacidad>

United Kingdom: <https://www.latamairlines.com/gb/en/legal/privacy-policy>

Regarding the length of time information is retained in the company's records, data will be stored only as long as necessary for the purposes for which it was collected (as stipulated by applicable data protection laws). However, if a customer wishes to unsubscribe from LATAM Airlines, they may do so by opposing or revoking their consent through the unsubscribe option provided in the communications they receive, thus exercising their rights. Additional details can be found in the Privacy and Data Protection section specific to each jurisdiction where LATAM Airlines Group and its subsidiaries operate.

In further detail, LATAM Airlines Group and its subsidiaries are committed to protecting personal data with the highest level of security and responsibility. To this end, they implement stringent technical and operational measures to safeguard the information of customers, employees, and suppliers, ensuring its responsible and transparent use in compliance with current regulations. These efforts guarantee:

- The implementation of security measures to protect personal data against unauthorized access, alteration, disclosure, or improper destruction.
- Collaboration only with partners that adhere to the same rigorous standards of data protection, security, and respect for privacy, in compliance with applicable data protection laws.
- The development of ongoing staff training programs on data protection to ensure compliance with regulations and the proper handling of information.

Through these measures, LATAM Airlines Group and its subsidiaries mitigate the risk of data being used for secondary purposes

Third-party disclosure policy (private and public entities)

LATAM Airlines Group and its subsidiaries will only share personal data with third parties under the following circumstances, as outlined in the Privacy Policy:

- Service providers, when such access is necessary to fulfill legal obligations and/or the purposes mentioned above.
- Airports, government authorities, and law enforcement agencies, in compliance with mandatory requests made to all airlines for the purposes of control and safeguarding public safety.
- Travel agencies or other companies through which you make flight reservations with LATAM Airlines.
- Public authorities, regulatory and supervisory bodies, as well as fiscal and judicial authorities (such as the Public Prosecutor's Office, Courts, and Tribunals).
- Police, governmental, regulatory, judicial, or other public authorities when required or authorized by applicable laws.

Additionally, our suppliers may access your data, but only when necessary to fulfill legal obligations and/or the purposes specified above. These suppliers are prohibited from using your data for their own purposes unless previously informed by us. LATAM will share your data with companies with which it has commercial alliances or partnerships, only if you have given prior authorization, and solely for the purpose of offering you the products, services, and benefits available to our customers

Possibility for customers to decide how private data is collected, used, retained and processed

Opt-out option and Opt-in consent

Within the privacy policy of LATAM Airlines Group and its subsidiaries, published on the latamairlines.com portal, data owners have the possibility of exercising their rights by sending an email to the address: grp.soportegdpr@latam.com.

The rights to which clients can access are the following:

- Right of Access: you have the right to LATAM Airlines Group and its affiliates inform you about whether or not it is processing your personal data and, in such case, you have the right to access said data and to receive information about the purposes for which it is processed, the data affected by the processing, the recipients to whom it is processed, that the personal data were communicated and the expected retention period, among other information.
- Right to Rectification and Deletion: you have the right to request the deletion of your personal data provided that the applicable legal requirements are met, and to request the rectification of inaccurate data when, among other reasons, these are no longer necessary for the purposes for which those were collected.
- Limitation of processing, revocation of consent and total or partial opposition to processing: In certain circumstances (for example, while their accuracy is verified), you may request that the processing of your personal data be limited, with these data only being processed due to legal obligations.

They also have the right to revoke the consent given and oppose the processing at any time, in the event that the processing is based on the legitimate interest of LATAM Airlines Group and its subsidiaries or in the legitimate interest of a third party (including processing for

commercial purposes such as sending communications or preparing the corresponding profiles). In this case, LATAM Airlines Group and its subsidiaries will cease processing, unless legitimate reasons are proven.

- Portability of your data: You have the right to receive the personal data that you have provided to LATAM Airlines Group and its subsidiaries in a structured, common and machine-readable format, and to be able to transmit them to another controller without the controller to whom they were provided preventing you from doing so, in the cases legally provided for these purposes.
- Automated individual decisions: Likewise, in addition to the aforementioned rights, in the event that automated decisions are made, including profiling, you have the right to obtain human intervention from LATAM Airlines Group and its subsidiaries, to express their point of view and to challenge the decision.

In the case of Chile, the owner of the data will always have the right to request information about their registered personal data and arrange for the rectification, elimination and/or cancellation of this data when they deem it appropriate, in accordance with the applicable legislation (For Chile LawNo. 19,628 on Protection of Privacy) for which you must contact 600 526 2000 or mark the option to unsubscribe in the communications you receive.

- The Holders and/or the Legitimized Persons of Colombian nationality may exercise their rights and carry out the procedures established in this Policy, which are indicated below:

Update: Update the Personal Data that resides in the LATAM Airlines Colombia Databases to maintain its integrity and veracity.

Knowledge and Access: Request proof of the Authorization granted to LATAM Airlines Colombia, unless the Law indicates that said Authorization is not necessary or that it has been validated in accordance with the provisions of article 10 of Decree 1377 (article 2.2.2.25.2.7 of Decree 1074 of 2015).

Proof: Request proof of the Authorization granted to LATAM Airlines Colombia, unless the Law indicates that said Authorization is not necessary or that it has been validated in accordance with the provisions of article 10 of Decree 1377 (article 2.2.2.25. 2.7 of Decree 1074 of 2015).

Complaint: Submit complaints to the Superintendence of Industry and Commerce for violations of the Law when the procedural requirement has been exhausted, which requires going in the first instance to LATAM Airlines Colombia.

Rectification: Rectify the information and Personal Data that are under the control of LATAM Airlines Colombia.

Revocation: Request the revocation of the Authorization, when the Processing does not respect the constitutional and legal principles, rights and guarantees. The revocation will proceed when the Superintendency of Industry and Commerce has determined that in the Treatment the Controller or Person in Charge thereof have engaged in conduct contrary to this law and the Constitution.

Request: Submit requests to LATAM Airlines Colombia or the Data Processor regarding the use they have given to your Personal Data.

Deletion: Request the deletion of your Personal Data from the LATAM Airlines Colombia Databases, when the Processing does not respect constitutional and legal principles, rights and guarantees. The revocation and/or deletion will proceed when the Superintendence of

Industry and Commerce has determined that in the Treatment the Controller or Processor has engaged in conduct contrary to this law and the Constitution.

- To file with LATAM Airlines Colombia any Complaint, Request or Claim related to the Processing of Personal Data, the Owners and/or Legal Entities may write to the email grp_habeasdata@latam.com, and will obtain a response within the times defined by the Law.
- On the other hand, LATAM Airlines Group and its affiliates requests the explicit consent of customers for the installation of cookies on its website www.latamairines.com. This is done through an information banner that appears when you enter the website, which clearly explains what cookies are, what data they collect and how they are used. Users have the option to accept or reject cookies on a granular basis, selecting which types of cookies they wish to allow. In addition to explicit consent for cookies, Latam Airlines relies on two legal bases for the collection, storage and processing of customer data:
 1. Contract execution: Latam uses customer data to process reservations, manage trips and provide customer service.
 2. Legitimate interest: Latam uses customer data to improve its services, offer personalized experiences and perform market analysis.
- LATAM Airlines Group and its affiliates offers customers a comprehensive and transparent cookie policy detailing what types of cookies are used, how the data is collected and how it is used. Customers can also access a cookie management tool that allows them to control what types of cookies are stored in their browser.

For the rest of the jurisdictions, the cookie guidelines are described within the Privacy Policy.

Request data to be transferred to other service providers

LATAM Airlines Group and its subsidiaries will only transmit personal data to third parties, in the following cases, as published within the Privacy Policy:

- Service providers, such access being necessary for adequate compliance with legal obligations and/or the purposes indicated above.
- Airports, Government Authorities, Security Forces and Corps Organizations in compliance with the express requirement made to all airlines for reasons of control and safeguarding public security.
- Travel agencies or other companies through which you make flight reservations with Latam Airlines.
- Public authorities and regulatory and supervisory bodies, as well as tax and judicial authorities (Tax Ministry, Courts and Tribunals).
- Police, government, regulatory, judicial or other public authorities when required or authorized by applicable laws.

Additionally, the data may be accessible by our suppliers, such access being necessary for adequate compliance with legal obligations and/or the purposes indicated above. These providers will not use your data for their own purposes that have not been previously informed by us. LATAM will share your data with those companies with which it has alliances or commercial associations, to the extent that you have previously authorized it and for the sole purpose of offering you the products, services and benefits that we have for our clients.