



ANTOFAGASTA PLC

APPROACH TO SUSTAINABILITY



PEOPLE

The safety and health of our workers is our first obligation.

Commitment to the well-being, motivation and professional development of our workers.

- **HY 2017: 0 fatal accidents, LTIFR 1.6**
- Near Miss Reporting Index **higher than annual target**
- Implementation of **Occupational Health Model**
- Two **successful collective negotiations** with unions at CEN and CMZ
- **Strategy for Diversity and Inclusion**
- Application of the **UK Modern Slavery Act 2015**



ECONOMIC PERFORMANCE

Constantly looking for sustainable ways to improve our operational efficiency to ensure the creation of value for our shareholders and various stakeholders.

- **HY 2017: EBITDA Margin 52.7%** - highest EBITDA margin since 2012
- **7% increase in production** compared to YTD 2016
- **Revenue up 41,9%**, higher sales volumes at Antucoya and Centinela
- Cumulative **savings of \$563 million** since 2014
- Focus on **productivity** as a sustained effort, **innovation** as a competitive advantage and efficient **capital allocation**



SOCIAL DEVELOPMENT

Significantly contribute to the development and well-being of the communities that welcome us.

Activate transparent, participative and effective dialogue processes.

- **Caimanes Agreement:** projects defined through participative process with the community
- Participative design of a **Contingency Plan:** El Mauro tailings dam
- **Somos Choapa** in all four communes, contributes to sustainable development in the Choapa Province
- **Dialogues for Development** in the northernmost companies
- Establishing indicators to measure **contribution to territorial wellbeing**



ENVIRONMENTAL MANAGEMENT

Working permanently to prevent, control and mitigate our possible environmental impacts.

Constantly seeking ways to make efficient use of natural resources.

- Approval of **Protected Sites**, rich in biodiversity – MLP
- EIA DMC / EIA MLP
- **48%** of water used by the Group in 2016 came from the sea
- Environmental Authority (SMA) filed **charges against MLP** for matters detected in previous audits
- **Environmental management system** for compliance implemented across all of the Group's operations



CORPORATE GOVERNANCE

Maintaining a business conduct that is honest, transparent and respectful of human rights and the law

Establishing guidelines and internal regulations that assert our commitment to managing a business in a responsible manner.

- Board assisted by **five Committees** to ensure deliberation on most important issues
- **Audit and Risk Committee** reviews whistleblowing procedures for employees and contractors and reviews its compliance with the Code of Ethics
- All contracts with contractors include **clauses relating to ethics, modern slavery and crime prevention**
- **SAP implementation** as internal control system