

**Antofagasta plc**  
**Remuneration and Talent Management Committee**  
**Terms of Reference**  
**(Revised and adopted on 22 August 2011)**

1. The Remuneration and Talent Management Committee comprises Independent Non-Executive Directors of the Company, to be selected by the Board on the recommendation of the Nomination Committee, and shall consist of no fewer than three members. The Nomination Committee must from time to time review the composition of the Remuneration and Talent Management Committee. Each Remuneration and Talent Management Committee member shall be appointed for an initial period of up to three years, which may be extended for further periods of up to three years each.
2. The chairman of the Remuneration and Talent Management Committee must be appointed by the Board.
3. The secretary to the Remuneration and Talent Management Committee may be selected from time to time from among those present at a meeting, but shall otherwise be the Vice President of Human Resources of Antofagasta Minerals S.A. supported by the Chief Financial Officer (UK).
4. Meetings of the Remuneration and Talent Management Committee shall be held at least twice a year. Accordingly, the secretary to the Remuneration and Talent Management Committee shall call meetings of the Remuneration and Talent Management Committee at least twice annually and at any other time(s) on request of any member of the Remuneration and Talent Management Committee. The secretary shall circulate the papers for Remuneration and Talent Management Committee meetings in good time before each meeting to allow members of the Remuneration and Talent Management Committee to properly consider their contents.
5. The quorum for meetings of the Remuneration and Talent Management Committee is any two of its members.
6. Individuals other than members of the Remuneration and Talent Management Committee, including officers of the Company's group and external advisers, should attend meetings when requested by the Remuneration and Talent Management Committee.
7. No committee member shall participate in any discussion or decision on their own remuneration.
8. The Remuneration and Talent Management Committee is authorised by the Board to investigate remuneration paid to directors of other companies of a similar size in a comparable industry sector.
9. The duties of the Remuneration and Talent Management Committee are:
  - 9.1 to develop and agree with the Board a framework or broad policy for the remuneration of Directors;
  - 9.2 to determine the remuneration of Directors and the Chairman;
  - 9.3 to recommend and monitor the compensation strategy of, and the level and structure of remuneration for, senior management, including performance bonuses, benefits and long-term incentive plans;
  - 9.4 to recommend and monitor the talent management strategy for senior management;
  - 9.5 to recommend succession plans for senior management;

- 9.6 to recommend any major changes in compensation policies applying across the Group's Companies that can have a significant long term impact on labour costs;
  - 9.7 to recommend ex gratia or bonus payments to be made to all or any of the employees of the Company's group that do not fall within normal bonus levels;
  - 9.8 to recommend any one-off payment made to staff across the Group's Companies that are not included in the company's budgets and are not within the discretionary allowances of the Chief Executive Officer or the General Managers;
  - 9.9 to review proposals to fill vacancies of senior management positions and nominate such candidates for the approval of the Board;
  - 9.10 to ensure that contractual terms on termination of Directors and senior management, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
  - 9.11 to review and approve a policy for executive expenses;
  - 9.12 to comply with the principles and provisions of the UK Corporate Governance Code as amended from time to time and other legal and regulatory requirements on directors' remuneration; and
  - 9.13 to consider other matters as referred to the Remuneration and Talent Management Committee by the Board.
10. The Remuneration and Talent Management Committee shall consult the Chairman (subject to managing any conflict of interest) and/or consultants or advisers about proposals relating to the remuneration of Executive Directors. If consultants are appointed, a statement shall be made available of any other connections of those consultants with the Company.
  11. The Remuneration and Talent Management Committee chairman must report to the Board after each meeting on the matters within the competence of the Remuneration and Talent Management Committee.
  12. The Remuneration and Talent Management Committee shall produce an annual report on the Company's remuneration policy and practices which will form part of the Company's annual report and ensure each year that it is put to shareholders for approval at the annual general meeting.
  13. The Remuneration and Talent Management Committee chairman should attend the Company's annual general meeting to answer any shareholder questions on the committee's activities.
  14. The Remuneration and Talent Management Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.
  15. The Remuneration and Talent Management Committee shall review its own performance, composition, constitution and terms of reference at least annually, and recommend any changes to the Board.
  16. The minutes of any meetings of the Remuneration and Talent Management Committee, to be taken by the secretary, should be circulated to all members of the Board excluding such members of the Board who have a conflict of interest in respect of the matters covered by the minutes.